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Mekong Committee Opens Seminar in Laos

BK2502113193 Vientiane KPL in English 0913 GMT 25 Feb 93

[Text] Vientiane, February 25 (KPL)—The 3d seminar on the Organisation of the International Mekong Committee opened in Vientiane yesterday under the chairmanship of Dr. Kithong Vongsai, deputy minister, president of the National Mekong Committee of Lao PDR [People's Democratic Republic].

In this opening address, Dr. Kithong Vongsai said this seminar was the follow-up of the 2d [and] 3d successful seminars respectively held in Bangkok, Thailand, in 1990 and in Hanoi, Vietnam, in 1991. At this seminar, officials from the policies and the planning section of the International Mekong Committee's Secretariat and speakers from different services will present documents of legal nature on the international management of the Mekong River basin which have been well edited.

In addition, concerned technicians from the member countries of the International Mekong Committee will discuss and exchange views and experience on their operations and will jointly set forth appropriate methods of operations for the future plan of action of the committee.

This seminar will also hear a report by legal technicians of the International Mekong Committee's member countries on achievements made over the years.

On the part of the Lao PDR, the National Mekong Committee considered this seminar an especially important event since, apart from laying a basis and principles for the development of international water sources, it will ensure for the settlement of conflicts that may arise between the member countries of the International Mekong Committee.

This kind of seminar has demonstrated continuous efforts of all parties at improving ideas for officials from each member country to see as to what should be done and what should not be done and at strengthening cooperation on the basis of mutual benefit in the development of the Mekong River lower basin in order to meet the aspirations of the people living along the banks of the Mekong River.

Dr. Kithong Vongsai said officials and technicians of the member countries as well as the member countries have to realise their rights and obligations and the necessity to maintain the water sources in the Mekong River lower basin for the next generations as it is an international river and common property of all the member countries.

The seminar to last 6 days has brought together technicians and officials concerned from the member countries, including Laos, Cambodia, Thailand, and Vietnam. It received financial and technical support from the European Community and the Asian Development Bank through the Secretariat of the International Interim Mekong Committee.

Thai Premier Speaks on Regional Human Rights

BK2302020993 Bangkok THE NATION in English 23 Feb 93 p A6

["Text" of speech by Prime Minister Chuan Likphai at the forum "Towards One Southeast Asia" in Bangkok on 22 February]

[Text] Today, you will discuss "Towards One Southeast Asia in the Twenty-First Century." Allow me at this juncture to therefore spend a few seconds on the term "one Southeast Asia."

The way I see it, the word "one" should not mean that Southeast Asia should be a monolithic society where the same set of standards and values necessarily apply to everyone. Rather, it should mean unity and understanding within a region where different peoples live in peace and harmony. It should mean a region where within its unity, a diversity of views is respected and indeed serves as its strength.

In moving towards that goal, we must build up strength. We should focus on common threads which would bind us and weave us together. In my view, there are two fundamental challenges which are conducive to the emergence of a region of peace and harmony in the coming century.

First, the present and potential conflicts must be resolved by peaceful means. The current impasse in Cambodia and the multiple claims over the Spratly Islands are the obvious spots which need to be addressed through dialogue and diplomacy.

Second, progress must be made in the areas of democracy and economic liberalization. They are supportive of each other and should therefore move forward together. The pace of progress will however vary from country to country. Democracy must not be imposed by outsiders. The people must be given their rights to enjoy individual freedom and to decide their future destiny. A government that responds to the needs, addresses the plight and protects the common interests of the public has a better chance to enjoy lasting support of their own people.

Linking very closely to democracy is the issue of human rights. It is high time that we countries in Southeast Asia stopped acting defensively on this issue. It is also high time that we Southeast Asia nations came up with our own set of guidelines on human rights. Through a series of candid and constructive discussions, we would become more comfortable in dealing on this issue with one another and with countries outside this region.

In this connection, Thailand looks forward to be the venue for the preparatory meeting in April of the Asian Group for the World Summit meeting on human rights. We Southeast Asian nations should actively and constructively participate in this as well as other fora. We should do it not only to save us from being hastily judged by the standards of others but also to actually explore ways to enhance further the respect for human rights for our own peoples.

As far as economic liberalization is concerned, I believe the choice is obvious. Because the threats of bilateral actions and the wide spread of protectionism have the tendency to increase, we have no alternative but to proceed on economic liberalization as steadily and quickly as we can. We must be able to compete in this increasingly difficult global market place if we were to be able to sustain progress and prosperity in our region. That is why it is very important for Southeast Asian nations to quicken the pace of closer economic cooperation, build up networks and linkages to one another.

That is why my Government is totally committed to the Asean Free Trade Area. That is why my Government fully supports intra-regional cooperation within the framework of sub-regional growth triangles and the new dimension of cooperation among the Mekong riparian countries.

That is also why Thailand is intensifying its cooperation with her less fortunate neighbours. I strongly feel that we are in a natural position to extend and channel greater cooperation with Indochinese countries and Myanmar (Burma). We do it because we want them to succeed in their economic development. I believe even Myanmar will soon change for the better. We must help them through cooperation—not confrontation. Our private sector must also realize that through cooperation they must think long term and act accordingly.

Most of the international instruments necessary for the successful launching of Southeast Asia into the twenty-first century have already existed. These instruments can and should be expanded or modified to suit the challenges of the new century. Among them are: the Asean Treaty of Amity and Cooperation in Southeast Asia, the Asean Zone of Peace. Freedom and Neutrality, and the Asean Declaration on the South China Sea. Moreover, an official forum such as the Asean Post-Ministerial Conference dialogues on peace and security and a semi-official forum such as the International Symposium International Progress can indeed make significant contributions to the promotion of peace and friendship in the region.

Similarly, there is no shortage of economic mechanisms to foster greater economic cooperation among Asean countries. A formal linkage between Asean and Vietnam and Laos has already been established. Since last July, Vietnam and Laos have been granted observer status of the Asean Ministerial Meeting. I am also pleased to see that each Asean country has reached out to Vietnam and vice versa in order to build up more economic linkages and networks for mutual benefits. While we should spare no efforts to stren then intra-regional cooperation, let us also explore new avenues through which our cooperative relations and benefits are extended deep into the grass root level.

By attaching importance to Asean as an instrument to realize our objectives, I do not imply that Asean alone can create a "one Southeast Asia" in the twenty-first century. Let us be realistic that a good number of external factors will positively as well as adversely affect and determine Southeast Asia's potential and limitation. I would like to leave this to all of you who are more qualified to identify and discuss these possible external effects that could enhance or become impediment to a "one Southeast Asia" in the next century.

Southeast Asia is a region with high potential for economic growth and prosperity. It has the potential to play a crucial role in global affairs. If every country in the region helps contribute to the creation of a solid political and economic foundation for it now, the region will be blessed with peace, stability and prosperity. Together, we must shape the future of our region with our own hands. The internal strength of each society, the commitment and readiness of the peoples and governments to work together in order to meet the existing as well as future challenges will get us on the right track towards the "one Southeast Asia" we desire.

Bangkok To Host Preparatory Human Rights Meeting

BK2402025393 Bangkok BANGKOK POST in English 24 Feb 93 p 2

[Text] Forty-five Asian countries will meet in Bangkok from March 29 to April 2 to prepare for the second world conference on human rights in Vienna in June, an informed source said yesterday.

The preparatory meeting will be held at the Economic and Social Commission for Asia and the Pacific (ESCAP), the source added.

The disclosure came after Prime Minister Chuan Likphai said Thailand looked forward to being the venue of the pre-Vienna meeting.

The Vienna conference, set for June 14 to 25, will be held under the aegis of the United Nations Commission on Human Rights.

The schedule and venue of the preparatory meeting here in Bangkok were set after it was a agreed that Australia and New Zealand would attend the gathering as "ordinary observers," the source said.

Neither could be fixed amid earlier disagreement among a number of Asian states over these two countries' participation. Voices in the opposition reportedly felt that the two were more rooted in Western rather than Asian culture.

The agenda for the world conference includes:

—Evaluation of human rights protection and promotion since the Universal Declaration of Human Rights in 1948;

—Prospects for the future of human rights;

—The plight of vulnerable groups, including women, children, the disabled, and ethnic minorities and;

—Recommendations for action by the UN.

Japan

Official: G-7 To Tackle Currency Fluctuations

OW2502093193 Tokyo KYODO in English 0915 GMT 25 Feb 93

[Text] Tokyo, Feb. 25 KYODO—The Group of Seven (G-7) major economies will immediately intervene against possible currency market fluctuations after their meeting Saturday in London to check speculative moves, a senior Finance Ministry official said Thursday.

Recent speculatiion has triggered turmoil in the dollar-yen exchange rates, with the yen surging to record highs against the U.S. currency this week. But the official, speaking on condition of anonymity, said the G-7 will not be pushing for any currencies to move in a specific direction, ruling out agreement on strengthening the yen against the dollar to trim Japan's soaring trade surplus.

Every country is against speculative and rapid moves in the foreign exchange market, and they are also against artificial engineering of exchange rates, the official said.

The official, although declining to elaborate on ideal levels for the dollar-yen exchange rate, said, "In any case, the recent appreciation of the yen against the dollar, which once surged as much as by 8 percent since the beginning of this month, is way too rapid. "We hope the market will reflect economic fundamentals and move with stability," he said.

"Especially after the currency turmoil in Europe last fall, everyone knows the danger of the forces of speculation," the official said, adding the authorities will intervene upon necessity and after considering various factors, including the effectiveness of their commitments. He denied the G-7 had failed to take concerted actions in the current phase of the dollar's slide, but said it is necessary to keep in mind the "effectiveness" of interventions at certain times considering the recent scale of speculative funds.

The official said the finance ministers and central bank governors of the G-7—Britain, Canada, France, Italy, Germany, Japan, and the United States—will be discussing mainly the global economy and aid to the former Soviet Union.

With respect to assistance for Russia, the official said the G-7 will probably agree to support President Boris Yeltsin's administration, while hoping for an early agreement between the International Monetary Fund (IMF) and Moscow on economic reforms so the IMF can step up its aid. They are also likely to request an early solution to the problem of rescheduling Russia debts through talks between that country and its creditor nations, he said.

The official said discussions about Japan's trade surplus may be put on the table at the G-7 meeting. Critics have been saying Japan could be forced to compile further pump-priming measures to spur its domestic demand for imports. But he reiterated the ministry's stance that passing the fiscal 1993 draft budget by the Diet is the main priority. "Japan's budget is not a mere accounting, but rather an economic package" put together each year, he said.

Regional Conference on Security Analyzed

OW2502120493 Tokyo KYODO in English 1132 GMT 25 Feb 93

[Text] Tokyo, Feb. 25 KYODO--A two-day meeting on security in the Asia-Pacific region that ended Thursday reflected a widespread wish for U.S. President Bill Clinton's administration to soon unveil its regional security strategy, Foreign Ministry officials said. The officials said the anxiety surfaced at the sixth international security forum, attended by scholars and government officials of 11 countries in the region, including China and Russia for the first time.

Some participants in the closed-door meeting expressed optimism the United States would retain its current military presence in the region at least through the end of the century, but others took a more pessimistic view, the officials said. Caution was voiced that support for the Japan-U.S. security relationship could disappear if the two governments fail to present their public with a more coherent and broader rationale for a continued U.S. military presence in Japan and military cooperation.

The officials said the meeting also heard discussion about North Korea's alleged nuclear weapons development program, as well as the cost and economic, political and psychological implications of reunification of the Korean peninsula.

Government officials from Russia, the Philippines and Thailand participated in individual capacities, while scholars attended from Australia, China, Indonesia, Japan, Malaysia, Singapore, South Korea and the U.S.

Brown, Hollings View Auto-Dumping Allegations

OW2502010193 Tokyo KYODO in English 2339 GMT 24 Feb 93

[Text] Washington, Feb. 24 KYODO—U.S. Commerce Secretary Ron Brown said Wednesday his department may initiate a dumping suit against Japanese automakers if there is evidence that Japanese cars are sold in the United States at unfair prices.

In testimony before the Senate Commerce Committee, Brown advised caution, however, saying it is "unusual" for the government itself to take up an antidumping case. "That is unusual action, as you know, but I think there might be times in the future where we would take unusual action," Brown told the Senate panel.

Brown made the remarks after Sen. Ernest Hollings, the committee chairman, urged Washington to file a dumping case against the Japanese, claiming Japanese cars are sold in the U.S. at prices below the level in

Japan. Hollings, a Democrat from South Carolina, said he has a "list" showing that Japanese carmakers "dump" their passenger cars in the U.S. at a reduced rate ranging from 14.7 percent lower for a Toyota Lexus model to 29 percent for a Mazda Familia model.

Hollings also said he has information that other Japanese automakers were dumping in the U.S., putting the dumping rate for the Honda Civic model at 19 percent and for the Nissan Sentra model at 23 percent.

Brown said the administration has the authority to initiate dumping cases and said he would discuss the issue with top executives of the "big three" U.S. automakers in a meeting later Wednesday. The "big three" gave up plans two weeks ago to file a dumping suit against Japanese automakers, but contended that they have "a strong case" that the Japanese were dumping cars on the U.S. market.

Hollings, a strong critic of Japanese trade practices, also said he favors raising U.S. trade barriers against Japanese imports to force Japan to open up its markets. "In order to remove a barrier we're going to have to raise a barrier and then remove them both," he said.

Nakasone's Schedule for U.S. Visit Reported

OW2502045293 Tokyo KYODO in English 0348 GMT 25 Feb 93

[Text] Tokyo, Feb. 25 KYODO—Former Prime Minister Yasuhiro Nakasone left Thursday for the United States to deliver speeches and meet with American officials, possibly including President Bill Clinton.

His aides said Nakasone, who was prime minister from 1982 to 1987, will speak at John Hopkins University School of Advanced International Studies in Washington on Thursday and at the J. F. Kennedy School of Government at Harvard University in Boston on Monday. His speeches will deal with Japan, the U.S. and China, the aides said.

If a meeting with the U.S. President can be arranged during his stay in Washington, sources said, Nakasone will take the opportunity to discuss the Clinton administration's policies toward Asia and Japan.

Nakasone's U.S. trip comes at a time when he is again adopting a high profile in Japanese politics, in sharp contrast to ailing Foreign Minister Michio Watanabe who has succeeded as leader of the members of the now-defunct Nakasone faction within the ruling Liberal Democratic Party, sources said. Nakasone will return home March 6.

Court Orders Air Base Noise Case Retried

OW2502021793 Tokyo KYODO in English 0158 GMT 25 Feb 93

[Text] Tokyo, Feb. 25 KYODO—The supreme court ruled Thursday that people living near a military air base in Kanagawa Prefecture are entitled to damages for aircraft noise but dismissed the residents' demand for a ban on night and early morning flights. The nation's top court ordered the Tokyo high court, which rejected all demands by plaintiffs in 1986, to retry the case.

Seventy-two residents living near the Atsugi Air Station had sought a suspension of flights between 8 P.M. and 8 A.M. and an order for daytime noise levels to be kept to a maximum of 65 decibels. As a comparison, the noise in a suburban street is about 60 decibels.

The residents also demanded 220 million yen in compensation from the central government for their past suffering from aircraft noise and monthly payments of 23,000 yen each until their proposal for a control standard was met. The civil suit was filed in September 1976 with the Yokohama District Court. In October 1982, the court ordered the government to pay some 36 million yen compensation to the residents, who live in areas exposed to noise levels of more than 80 wecpnl (weighted equivalent of continuously perceived noise level)—an international standard for gauging aircraft noise.

The local court dismissed their demand for a suspension of night and early morning flights in and out of the air base.

The Tokyo high court in April 1986 overturned the ruling on compensation and reaffirmed the lower court's refusal to ban flights, saying the noise was within the level of tolerance.

Both the district court and the high court ruled that the use of Atsugi Air Station by U.S. military planes under bilateral security arrangements is beyond the scope of suits brought under Japan's civil law.

In the supreme court ruling the presiding judge, Osamu Mimura, said that the noise the residents experience is beyond tolerable levels and ordered the high court to retry the case. Mimura rejected the residents' call for damages for the future, however.

The Atsugi Air Station extends over the three cities of Yamato, Ayase and Ebina in the prefecture adjacent to Tokyo and covers an area of some five square kilometers. The air station is jointly used by the U.S. Navy and Japan's Maritime Self-Defense Force.

Thursday's ruling is the first by the supreme court in a case involving aircraft noise from an air base.

In a similar case concerning the U.S. Air Force's Yokota Air Base in Tokyo, the highest court upheld the same day a lower court decision awarding 112 million yen in damages to 127 people living near the base, but rejected their demand for a ban on night flights. In their suit, the plaintiffs claimed that their environmental and human rights were violated by the jet noise, and demanded that the noise stop completely from 9 P.M. to 7 A.M. and be limited to 55 decibels during the daytime.

On July 15, 1987, the Tokyo high court ordered the central government to pay damages to the plaintiffs for their past sufferings from jet noise around the air base. Both the plaintiffs and the state appealed to the supreme court against the high court ruling.

Chemical Weapons Team Plans To Visit China

OW2502140193 Tokyo KYODO in English 1310 GMT 25 Feb 93

[Text] Tokyo, Feb. 25 KYODO—Japan will dispatch a survey team to China this year to investigate chemical weapons allegedly left behind by the Japanese Imperial Army, a high-ranking Foreign Ministry official said Thursday. Tadashi Ikeda, who heads the ministry's Asian Affairs Bureau, announced the mission at a meeting of the House of Representatives Budget Committee.

Asked about disposal of the weapons, Chief Cabinet Secretary Yohei Kono said the matter is under investigation on the understanding there is a "strong possibility" the weapons were abandoned by Japan. Kono said even if there is no clear proof of involvement by the Imperial Army, Japan will hold talks with China on the matter based on spirit of the 1972 joint communique which restored diplomatic ties between the two countries.

Chinese authorities have reported the presence of abandoned chemical weapons, most of which are considered to be of Japanese Imperial Army origin. The Foreign Ministry dispatched experts to China on two separate occasions in 1991 for preliminary investigations and has already begun unofficial consultations with Chinese authorities.

Officials Support SDF Dispatch to Mozambique

OW2502093793 Tokyo KYODO in English 0701 GMT 25 Feb 93

[Text] Tokyo, Feb. 25 KYODO—Parliamentary Foreign Vice Minister Koji Kakizawa on Thursday won the support of his counterparts in other ministries for a controversial dispatch of Self-Defense Forces (SDF) personnel to Mozambique for United Nations peacekeeping operations.

Reporting to other parliamentary vice ministers on his inspection tour to five African nations including Mozambique earlier this month, Kakizawa said it is necessary for Japan to participate in UN peacekeeping operations in Mozambique, officials said. Most of Kakizawa's colleagues concurred with his view and Deputy Chief Cabinet Secretary Motoji Kondo will brief Prime Minister Kiichi Miyazawa about their position, the officials said.

The government is still trying to assess the extent of public backing for the participation of a 600-member SDF engineering corps in Cambodian peacekeeping operations, Japan's first deployment overseas of ground troops since World War II.

Time is running out to respond to a UN request for military peacekeepers in Mozambique, but Japan may still opt for civilian participation in roles such as monitoring of elections expected to be held by October. The UN has informally requested Japan to supply several dozen troops to the 7,000- to 8,000-member force in Mozambique.

Kono Explains Role of Mission to Mozambique

OW2502120993 Tokyo KYODO in English 1051 GMT 25 Feb 93

[Text] Tokyo, Feb. 25 KYODO—A Japanese Government team will visit Mozambique next week to explore the possibility of Japan contributing civilian and military personnel to UN peacekeeping operations there, the top government spokesman said Thursday.

Chief Cabinet Secretary Yohei Kono said the government will decide whether to participate in the UN mission in Mozambique after the nine-member survey team returns in the last week of March. But he admitted that most of the assignments for the 7,500-strong UN peacekeeping mission, slated to get underway next month, could be filled before the probe returns.

"If we don't conduct a survey, we can't dispatch personnel," so if the results are too late to meet a UN deadline, "it can't be helped," Kono told a daily news conference. The probe is aimed at signaling Africa that Japan is interested in the continent, even if it rejects an informal UN request to send 50-60 troops to Mozambique, a government source said. The deadline for responding to the UN request is believed to be this week.

Kono, who is acting foreign minister in place of ailing Michio Watanabe, has repeatedly expressed reluctance to dispatch troops to Mozambique, citing concern that the government might stumble and lose public backing if it expands its new-found peacekeeping role too rapidly. But the Foreign Ministry, which would like to boost Japan's contribution to UN peacekeeping activities, is worried that Tokyo may be creating the impression it is only concerned about Asia.

Parliament passed the UN peacekeeping legislation last summer, paving the way for the first overseas dispatch of ground troops since World War II. A 600-member Ground Self-Defense Force (GSDF) corps of engineers was dispatched to Cambodia last September mainly for road and bridge repairs.

Kono told the news conference that elections in Cambodia slated for May would be an important landmark for Japanese peacekeepers there. The period following the election could be marked by skirmishes, which would be certain to give rise to opposition calls for Japan to withdraw its engineering corps there.

Kono said the mission to Mozambique would explore contributions in nonmilitary areas such as the environment, politics and social programs, as well as the military field. Japan is likely to offer to contribute monitors to observe elections slated for October, according to a government source.

Kono, pointing to the need for the probe, said, "there are limits to the data we can examine in Japan." The fact-finding team will be joined by personnel from the Foreign Ministry, the Defense Agency and the government's international peace cooperation headquarters. It will leave in the middle of next week, officials said.

Miyazawa Comments on Security Council Seat

OW2502123593 Tokyo KYODO in English 1217 GMT 25 Feb 93

[Text] Tokyo, Feb. 25 KYODO—Prime Minister Kiichi Miyazawa denied Thursday that Japan and Germany have or should share a common strategy in their bid for permanent membership on the UN Security Council, a Foreign Ministry official said. In renewing Japan's call for a permament seat, Miyazawa told a group of German journalists that the composition of the UN Security Council needs to be updated. "It is not good to leave it (the UN Security Council) as it was 50 years ago," he said.

In an interview with the German reporters, conducted on the eve of Chancellor Helmut Kohl's arrival here Friday, Miyazawa said, "The Security Council seats need to be fairly distributed." Miyazawa was quoted as saying he assumes Germany agrees. But when it comes to seeking a permanent seat, Miyazawa said Tokyo and Bonn "do not share a common strategy, and I don't think they should."

Japan is the second-largest donor to the world body after the United States. Germany is also a likely candidate should the council undergo revision—a complicated and politically sensitive procedure that would probably involve expanding the body to give developing nations a larger voice.

In a recent interview with Japan Broadcasting Corp. (NHK), Kohl said that, from Japan's perspective, "membership in the Security Council is much more urgent than Germany's."

The Security Council's core is composed of five permanent members with veto power—the United States, Russia, China, Britain and France—which were the victors of World War II. Japan is currently occupying one of 10 seats that are rotated among nations every two years.

On relations with Russia, Miyazawa said Tokyo will provide economic aid to help the country promote democratic and market-oriented reforms. In a reference to the territorial dispute that has dogged bilateral ties since World War II, Miyazawa said it is in the interest of the international community for Russia's diplomacy to close the era of "Stalinism."

"I would like President (Boris) Yeltsin to visit Japan to talk about building broad, friendly relations," Miyazawa was quoted as saying. The prime minister did not indicate when he would like Yeltsin, who faces mounting pressure from conservatives at home, to visit Japan. Yeltsin abruptly called off a planned trip to Tokyo last September in the face of conservative opposition to Japan's position on the territorial dispute.

Tokyo is seeking recognition of its sovereignty of four Russian- held islands off Hokkaido, seized by the Soviet Union after World War II. It has said resolution of the issue is a prerequisite to large-scale economic assistance. Japan is still deliberating over whether to invite Yeltsin to the Group of Seven (G-7) economic summit slated here for July.

Kohl is to arrive Friday on the fourth leg of a five-nation Asian tour, his first visit here since the 1986 Tokyo summit of major industrialized nations.

Tokyo's Hopes, 'Motto' for Kohl Visit Reported

OW2502005993 Tokyo KYODO in English 2328 GMT 24 Feb 93

[By Susanne Ganz]

[Text] Tokyo, Feb. 25 KYODO—Deepening dialogue with Europe and the warming of bilateral relations is Tokyo's motto for German Chancellor Helmut Kohl's upcoming visit to Japan. Kohl, who arrives here Friday on the fourth leg of a five-nation Asian swing, last visited Japan for the 1986 summit of leaders of the Group of Seven (G-7) major industrialized nations. However, he has met with Prime Minister Kiichi Miyazawa twice during the last 10 months, outside Japan.

A senior Foreign Ministry official named bilateral relations and developments in the Asia-Pacific region, Europe, and the former Soviet Union as the major issues Miyazawa will address in his talks with Kohl, scheduled for Saturday.

Foreign Ministry officials have become concerned about a possible shift in the traditionally good relations with Germany following the end of the cold war. Under the old order, the interests of Germany and Japan, as the defeated powers of World War II, converged and bilateral relations took an almost natural course, another high-level Foreign Ministry official said.

With a new international framework evolving, both countries may have to make greater efforts and be more careful in shaping future ties to avoid having such problems as Japan's trade surplus and industrial competitiveness strain relations, he said. To broaden the basis for mutual understanding, Miyazawa and Kohl will start a dialogue forum. The first event, with participants from politics, business and culture circles participating, will be held in March in Germany, to be followed by further meetings by turns in both countries.

Tokyo also sees the visit of the leader of "Europe's major power" as a chance to attract Europe's attention to the dynamic Asia-Pacific region and hopes Kohl leaves "with a fair and correct interest in Asia." Current issues like strengthening and reforming the United Nations will likely be on the agenda, now that the new U.S. Government has advocated both countries be permanent members of a reformed U.N. Security Council.

They may also discuss how to respond to U.N. Secretary General Butrus Butrus-Ghali's calls for more comprehensive participation in U.N. operations. Both countries are currently witnessing heated public debate on constitutional amendments that would allow their involvement in the use of force in U.N.-led peacemaking operations.

Bonn, the major creditor and supplier of financial aid to the successor states of the former Soviet Union, is seeking a greater burden sharing and Kohl will try to convince Japan to throw its economic resources into backing democratization and market-oriented reforms there.

Germany, together with the other G-7 powers, has acknowledged Japan's territorial claims over four Russian-held islands, but Kohl warned in a recent interview that a further "wait-and-see attitude" delaying financial support to Russia would challenge stability in the region and thus also affect Japan.

Ministry Reports Technology Pact With Russia

OW2502131093 Tokyo KYODO in English 1208 GMT 25 Feb 93

[Text] Tokyo, Feb. 25 KYODO—Japan and Russia have agreed in talks in Moscow on new fields of cooperation in science and technology, the Foreign Ministry said Thursday. The agreement came at the first session of the Japan-Russia Commission for Technical Cooperation from Monday [22 February] through Wednesday.

The fields are high energy physics and accelerator science, communications technology, and energy research and development, ministry officials said.

There was also agreement to continue cooperation in nine other areas—forestry and agriculture, plasma physics and nuclear synthesis, medical radiology, mechanics, ecology, earth studies, life science, oceanology, and astronomy. They were first agreed on in 1990 at the seventh meeting of the Japan-Soviet Commission for Technical Cooperation.

The Russian news agency ITAR-TASS reported from Moscow on Wednesday that Japan declined a Russian proposal to set up a bilateral foundation for financing joint projects.

Russian Officers Reveal Troop Cuts Planned

OW2502105193 Tokyo KYODO in English 1026 GMT 25 Feb 93

[Text] Tokyo, Feb. 25 KYODO—Russia has cut the number of troops stationed in its Far Eastern region by about 120,000 to roughly half what it was five years ago, a Russian military expert said Thursday. Maj. Gen. Gennadiy Dmitriyevich Ivanov, a professor at Russia's General Staff Academy, gave the figure on the closing day of a two-day joint Japan-Russian military seminar in Tokyo.

Japan's most recent White Paper on Defense puts Russia's Far Eastern military strength at 320,000, but the Japanese Defense Agency says the estimate may be oversimplified because it is difficult to define the extent of the region and which troop units it includes.

Lt. Gen. Andrey Ivanovich Nikolayev, another Russian participant in the seminar, said the 5-million-strong military force maintained by the former Soviet Union will be reduced to 1.5 million by 2000. Nikolayev said 30-35 percent of the final total would be Army, while the main defense responsibilities would be handled by the Navy and Air Forces. Nikolayev, who is the first deputy chief of staff of the Armed Forces, said he could not disclose how many of these forces would be stationed in the Far East.

The seminar is the first personnel exchange between defense authorities from the two countries.

Miyazawa Congratulates ROK's Kim

OW2502023793 Tokyo KYODO in English 0203 GMT 25 Feb 93

[Text] Tokyo, Feb. 25 KYODO—Prime Minister Kiichi Miyazawa on Thursday congratulated South Korea's newly inaugurated President Kim Yong-sam with wishes for the development and prosperity of the Korean nation. Kim became South Korea's first civilian president in 32 years Thursday in inaugural ceremonies in Seoul.

"I hope that under the eminent leadership of the new president, the creation of a new Korea is achieved and (its) development and prosperity are attained as a key country in the Asia-Pacific region," Miyazawa said in his congratulatory message.

Foreign heads of state were not invited to the ceremonies in Seoul and Japan was represented by Japanese ambassador to South Korea Toshio Goto.

In his message, Miyazawa also called for a "higher dimension" of close cooperation in Japan-South Korea relations in the 21st century.

Chief Cabinet Secretary Yohei Kono, who is serving as acting foreign minister in the absence due to illness of Michio Watanabe, said he looks forward to a frank exchange of opinions with the new South Korean

Administration to resolve pending issues with Seoul. Kim has indicated that in promoting Seoul-Tokyo relations he plans to urge Japan to resolve issues associated with Japan's 1910-45 colonial rule of the peninsula, including forced prostitution of Korean women for Japanese soldiers during World War II.

At a daily press conference, Kono said that although he believes the two leaders will have talks some day, a concrete schedule for summit talks between Miyazawa and Kim Yong-sam has not yet been discussed.

Kono added it will take some time for the Japanese Government to release the result of a survey on South Korean "comfort women"—Japan's term for women forced into prostitution for the military during World War II.

Tokyo Said To Admit Forcing 'Comfort Women'

OW2502132893 Tokyo KYODO in English 1308 GMT 25 Feb 93

[Text] Tokyo, Feb. 25 KYODO—With Kim Yong-sam taking office as new South Korean president on Thursday, the Japanese Government is moving toward an early settlement of a bilateral row over those women, the sources said. The Japanese Government has already acknowledged its involvement in the recruitment of Korean women but denied forcing them into providing sex at the wartime frontline brothels.

As Tokyo has refused to pay compensation to those women, several groups of former Korean comfort women have filed suits with courts seeking an official apology from Japan and payment of compensation for their sufferings. The government will begin interviewing former Korean comfort women on top of investigations of official documents, the sources said.

It is also considering establishing a foundation to assist such women living in South Korea in lieu of paying compensation, the sources said. Under the plan, the foundation will be set up in the Japanese Red Cross Society to financially assist former comfort women residing in South Korea through the South Korean Red Cross Society, they said.

The foundation will also be used to extend some help to similar women in Southeast Asian countries, the sources said, noting Tokyo will move to make arrangements with these countries upon reaching an agreement with Seoul on the matter. Historians say about 100,000 to 200,000 women, mostly Korean, were taken to frontline brothels to serve Japanese soldiers as prostitutes.

The Japanese Government acknowledged last July that women from at least six countries were sent to frontline wartime brothels, but denied allegations the women were forced into prostitution. It began a search of official documents held by the Defense Agency and five other ministries in 1991 and found some evidencing government recruitment, management and sanitary control of wartime brothels.

An official at the South Korean embassy in Tokyo, speaking on condition of anonymity, said, "Forcible recruitment is a well-known fact. If one denies this, it only perpetuates the myth that these women became prostitutes of their own accord."

Miyazawa Surprised by Mulroney Resignation

OW2502045193 Tokyo KYODO in English 0404 GMT 25 Feb 93

[Text] Tokyo, Feb. 25 KYODO—Japanese leaders registered surprise Thursday at Canadian Prime Minister Brian Mulroney's unexpected decision to step down as prime minister in June. It was not immediately clear how the move would affect Prime Minister Kiichi Miyazawa's tentative plan to visit Canada following a trip to the United States being arranged for mid-April.

On Wednesday, Mulroney resigned as conservative party leader, a post he had held for nearly a decade. He said he would step down after over eight years as premier in June.

Registering surprise at the announcement, Miyazawa said that his Canadian trip had not yet been confirmed. "I don't know what will happen," he told reporters.

Acting Foreign Minister Yohei Kono praised Mulroney for his long tenure during a turbulent period of world history. "During Mulroney's 8-1/2 years as premier, the cold war ended and there were major changes in the world," said Kono, who is standing in for ailing Foreign Minister Michio Watanabe. "Mulroney attended many (Group of Seven) summits and his achievements will be remembered," Kono said.

Ministry Says 'Political' Talks With EC Set

OW2502070693 Tokyo KYODO in English 0655 GMT 25 Feb 93

[Text] Tokyo, Feb. 25 KYODO—Japan and the European Community (EC) will hold high-level political consultations next Wednesday in Copenhagen, the Foreign Ministry said Thursday. The talks will include representatives of Japan and the three EC "troika" countries—Denmark, Britain, and Belgium—which are the present, former, and next EC chair countries, respectively.

The Japanese delegation will be led by Deputy Foreign Minister Kunihiko Saito, while the EC delegation will be headed by Niels Egelund, political director of the Danish Foreign Ministry.

Officials said the wide-ranging agenda will include such topics as former Yugoslavia, the former Soviet Union, China, and the Korean peninsula. The two sides will also discuss ways of strengthening relations between Japan and the EC through cooperation in the political arena, they said.

The meetings of Japan-EC troika political directors have been generally held twice a year since 1985, and the most recent gathering was in October 1992 in Tokyo. The Japan-EC dialogue on economic issues is to be tackled in a separate forum.

Government To Resume Yen Loans to El Salvador

OW2502144993 Tokyo KYODO in English 1413 GMT 25 Feb 93

[Text] Tokyo, Feb. 25 KYODO—Japan plans to resume its yen-denominated loans to El Salvador after a suspension since fiscal 1974 due to the domestic unrest in the Central American country, Foreign Ministry officials said Thursday. They said the two governments will exchange an official note as early as March on a loan worth some 10 billion yen for reconstruction of power plants and supply networks, water systems and other social infrastructures.

Domestic turmoil in El Salvador ended with a peace agreement between the government and guerrilla forces in January 1992.

Japan has been studying projects to support the rehabilitation of the war-torn nation's economy after sending an economic cooperation mission there last July. The loan will be made jointly with the Inter-American Development Bank, the officials said.

Miyazawa Urges LDP To Wrap Up Reform Bills

OW2502051493 Tokyo KYODO in English 0443 GMT 25 Feb 93

[Text] Tokyo, Feb. 25 KYODO—Prime Minister Kiichi Miyazawa urged the ruling Liberal Democratic Party (LDP) Thursday to wrap up a package of sweeping political reform bills by March.

Speaking at a joint meeting of the LDP political reform promotion headquarters he heads, and the electoral system research commission, Miyazawa urged members to compile the package by the end of March. He said the Diet should tackle political reform immediately after the budget for fiscal 1993 passes through the Diet.

Miyazawa also reiterated his resolution to seek comprehensive political reform in an effort to weed out deep public distrust in politics.

Japan's political world has been rocked by political scandals, most recently in the Tokyo Sagawa Kyubin money-and-mob scandal.

The package includes the introduction of single-seat constituencies in the House of Representatives and revision of the Political Funds Control Law, which is designed to reduce the dependence of politicians on excessive donations.

Poll: Miyazawa Cabinet's Approval Rating Drops

OW2502094493 Tokyo KYODO in English 2315 GMT 24 Feb 93

[Text] Tokyo, Feb. 25 KYODO—The approval rating of Prime Minister Kiichi Miyazawa's cabinet fell 2.8 percentage points to 26.1 percent in February reflecting his failure to implement political reform, Japan's largest daily reported Thursday. The YOMIURI SHIMBUN said its poll on February 20-21 shows the Miyazawa cabinet's approval rating slipping from 28.9 percent in the previous poll in January after a temporary upturn in December.

The latest survey found that 59.8 percent of total respondents disapproved of the Miyazawa government, up 3.1 points from January. In a multiple-choice question, 41.4 percent cited the Miyazawa cabinet's lack of political ethics and its failure to implement political reform as reasons for their disapproval of the 15-month-old cabinet. The YOMIURI poll said 38.2 percent expressed displeasure over the cabinet's economic policies and 21.8 percent picked tax system reform or lack of it as the cause of their disapproval.

Support for the ruling Liberal Democratic Party fell 0.5 percentage point from January to 40.0 percent. The largest opposition Social Democratic Party [of Japan] had a support rate of 11.0 percent, down 0.6 percent, and Komeito 3.4 percent, down 0.5 percent.

The Japan New Party, inaugurated last spring, emerged as the fourth most popular Japanese political party, winning a 3.3 percent support rate, up from 2.5 percent in the January poll, the YOMIURI said.

The YOMIURI polled 3,000 Japanese adults, of whom 2,151 or 72 percent responded.

Opposition To Demand Takeshita's Resignation

OW2502064393 Tokyo KYODO in English 0533 GMT 25 Feb 93

[Text] Tokyo, Feb. 25 KYODO—Three opposition parties will introduce a Diet resolution Friday demanding the resignation of former Prime Minister Noboru Takeshita from parliament because of his alleged role in a money-and-mob scandal, opposition officials said Thursday. The agreement was reached among Diet affairs committee chairmen of the No. 1 opposition Social Democratic Party (SDP), Komeito, and the Democratic Socialist Party (DSP).

In a related development, the Japanese Communist Party (JCP) decided to urge a parliamentary panel to file perjury charges against Takeshita, Ichiro Ozawa, former secretary general of the ruling Liberal Democratic Party (LDP), and former LDP kingpin Shin Kanemaru over their earlier parliamentary testimony. A JCP official said Takeshita must have known that the rightist group Nihon Kominto had demanded he visit the residence of former Prime Minister Kakuei Tanaka in October 1987, as a condition for the group to stop a harassment campaign against him.

Takeshita denied before the Diet that there was any link between his visit on October 6 of that year to Tanaka's residence and the rightists' agreement to stop the harrassment campaign.

Opposition parties have charged that Takeshita sought and obtained the intervention of Susumu Ishii, late boss of the Inagawa-kai crime syndicate, in halting the rightists' campaign to embarass him when he was running for the LDP presidency in 1987. Takeshita won the LDP's top post and with it the premiership.

Miyazawa Against Cutting Local Government Taxes

OW2502082393 Tokyo KYODO in English 0639 GMT 25 Feb 93

[Text] Tokyo, Feb. 25 KYODO—Prime Minister Kiichi Miyazawa showed a negative stance Thursday to a proposal to cut taxes levied by local governments on residents, saying the local entities cannot afford it. Miyazawa, in response to a question from Kenji Yoshioka of the Social Democratic Party [of Japan] in the House of Representatives, said such a tax reduction would cause a fund shortage as local authorities' budgets are tight, just like the national budget.

The prime minister said, "the feeling of tax burden of low- and middle-income earners has somewhat eased," because the government reduced overall tax by a total of 1.6 trillion yen in fiscal 1987 and 1988 and by 650 billion yen in fiscal 1991.

MITI Reports Large Retailers' Sales Down

OW2502082493 Tokyo KYODO in English 0709 GMT 25 Feb 93

[Text] Tokyo, Feb. 25 KYODO—Sales at Japan's large retailers fell 3.0 percent in January from a year earlier to 1,790.6 billion yen, the Ministry of International Trade and Industry (MITI) said Thursday. It was the eighth straight month of year-on-year sales decline for major retailers. Sales dropped 5.7 percent in December and 3.3 percent in November, the ministry said in a preliminary report.

Sales at 421 department stores nationwide dropped 3.7 percent from a year earlier to 902.4 billion yen, posting the 11th successive month of yearly declines, the ministry said. Sales at 2,028 supermarkets fell 2.3 percent to 888.2 billion yen, marking the sixth straight month that the figure dropped from the year before.

A ministry official attributed the continuing sales slump to a growing tendency for consumers to buy goods with lower price tags or for selected purposes as the economic slowdown dragged on.

Sales of clothes in January decreased 2.6 percent from a year earlier, the sixth straight month that the figure declined from the like period a year ago. Clothing sales at department stores fell 2.4 percent, while those at supermarkets decreased 3.1 percent. The official said poor demand for winter and business clothes was mainly responsible for the drop.

Sales of food and beverages at department stores fell 1.7 percent, while those at supermarkets edged up 0.3 percent, with combined sales decreasing 0.3 percent from a year earlier. January was the fourth successive month of annual drops in overall food and beverage sales, due partly to lower prices of fresh vegetables and fruit, the official said.

Demand for luxury goods and electrical appliances continued to be weak.

Asked about the outlook for February, the official expressed a pessimistic view that sluggish sales may continue for some time amid growing concern over declining salary income and layoffs since the economy remains dull. The official said one reason for his pessimism is the fact that there is one less working day in February this year than last year, which was a leap year.

Group To Consider Reviving Securities Market

OW2502084493 Tokyo KYODO in English 0833 GMT 25 Feb 93

[Text] Tokyo, Feb. 25 KYODO—The Finance Ministry will establish a study group in April to consider ways of revitalizing the slumping Japanese securities market, ministry officials said Thursday.

The group is expected to submit a report by this summer to the director general of the ministry's securities bureau on such issues as companies' dividend payment policies, the common practice of affiliated companies holding shares in one another, and investors' responsibility for their own market losses, the officials said. They said members of the group will probably be selected from among business executives, securities industry officials, government officials, and academics.

Specifically, the group is expected to propose that investors be held responsible for their investment losses, the officials said.

In recent years, there have been a number of cases in which investors have refused to take responsibility for their own investment losses, accusing brokerages of promising high returns on their investments.

'News Focus' Views Rumors, Watanabe's Health

OW2502121093 Tokyo KYODO in English 1033 GMT 25 Feb 93

["News Focus"]

[Text] Tokyo, Feb. 25 KYODO—In Japanese power circles, the saying goes that once a politician is hospitalized, he is murdered by rumors. One such rumor making the rounds of Nagatacho—the heart of Japan's political world—is that Foreign Minister Michio Watanabe is suffering from a much more serious illness than is officially reported.

Accordingly, even if Watanabe leaves the Tokyo Women's Medical College Hospital, which he entered on February 15 suffering from "a cold and fatigue," waving a clean bill of health, he could find his political career hampered by persistent speculation about his condition.

Watanabe, who serves as deputy prime minister and also heads the third-largest faction in the ruling Liberal Democratic Party, had been widely seen as the most likely candidate to succeed incumbent Kiichi Miyazawa as prime minister. That prognosis was first called into question after Watanabe was hospitalized last May for 70 days, during which time aides said he underwent gallbladder surgery.

Speculation about the foreign minister's health intensified after Watanabe walked out in the middle of a parliamentary committee session shortly after returning from the United States with a high fever. He was promptly hospitalized for a one- to two-week period, and, according to his aides, has put on weight.

In an unusually frank exchange with reporters, an aide to Miyazawa recently challenged the health assessment provided by Yoshimi Watanabe, the foreign minister's son and secretary. "Members of Watanabe's faction are saying that his political life is over. The prime minister certainly doesn't think it's a cold, it's just that he doesn't go around talking about it," said the official.

Damaging as such conjecture may seem, when it comes to matters of health, secrecy has long been the preferred way among powerwielders. "If politicians or top business executives make public they are suffering from a fatal disease, it ignites a power struggle," said Tatsumi Yamasaki, the son and former secretary of the late Heihachiro Yamasaki, a former National Land Agency director general.

When his father fell ill in 1988, Yamasaki said the family took extra precautions to ensure confidentiality about the nature of his illness, writing a pseudonym on the hospital room door, and bringing in a portable phone to avoid eavesdropping by the switchboard operator. The name of the illness and cause of death have not been revealed to this day, he said, because it would "injure his honor."

Some of Japan's most influential politicians have successfully escaped public scrutiny of their health at crucial junctures in their career. Prime Minister Tanzan Ishibashi, for example, suffered a debilitating stroke in 1956 that left his speech severely impaired, according to Kazuo Miwa, the chief neurosurgeon at a Tokyo hospital, who has researched and written extensively about the health of Japanese leaders.

Ishibashi's aides said at the time the prime minister was unable to deliver a policy speech to parliament or attend the session because he was laid up with a heavy cold. Ishibashi resigned a month later.

When Prime Minister Hayato Ikeda fell ill in 1964, he was reported as having a "pre-cancer condition," when he actually had full-blown cancer, says Miwa, who has interviewed Ikeda's former secretary. "Doctors do not make announcements that will have a negative impact on the patient's profession," he said.

As a rule of thumb, for politicians, doctors usually cite a less serious affliction than is the actual case, said Miwa, who has politicians among his patients. When the disease is life-threatening, the decision on what to make public is complicated by the view commonly held among doctors that, for psychological reasons, it is often better not to tell patients if they are terminally ill.

The most notable instance in recent years was that of Emperor Hirohito, who died of duodenal cancer in January 1989 after a long illness, during which the Japanese public was kept in the dark about the true nature of his disease in spite of detailed daily accounts of his blood transfusions. But the issue of whether people have a right to be informed of the state of health of their leaders has so far not roused much debate either in the Japanese media or among the public at large.

"Illness is, of course, a major political interest," says political analyst Kaoru Okano, president of Meiji University. "But the Japanese public has no training about their 'right to know' or privacy," he added, indicating that these concepts are not about to take root overnight.

Crime Syndicate Grows Despite Antigang Law

OW2502051693 Tokyo KYODO in English 0306 GMT 25 Feb 93

[Text] Tokyo, Feb. 25 KYODO—The Yamaguchi-gumi, Japan's largest underground syndicate, is still expanding the sphere of its influence, in defiance of the new antigang law, the National Police Agency said Thursday The new law was enacted last year to eradicate "yakuza" gangster groups.

Yamaguchi-gumi membership stood at 37,200 as of December 31 1992, up 1,800 from 35,400 at the end of 1991, according to a survey of gangs prepared by the agency.

Due to the enactment of the law in March 1992, the official total number of gangsters across the country decreased by 7,200 to 56,600. Of this number, 42,430 were members of 16 yakuza groups which had been designated as underground syndicates, and account for 75 percent of the nation's mobsters, the survey said. The Yamaguchi-gumi, based in Kobe, Hyogo Prefecture, has continued to gain strength, however, through such tactics as re-defining its regular members as associates and absorbing medium- and small-sized yakuza groups. Two-fifths of all mobsters in the country belong to the Yamaguchi-gumi, the agency said.

Quasi-members of such gangster groups do not fall under the jurisdiction of the new law. The number of quasi-gangsters totaled 34,000, up 6,800 from the previous survey, the agency said.

Members of the three largest gang organizations, the Yamaguchi-gumi, the Inagawa-kai, and the Sumiyoshi-rengo, account for 65 percent of the total, a 3 percent increase from the previous survey, the agency said.

A total of 158 groups, accounting for 2,051 members, dissolved last year, but the actual situation has not changed because some of them were fake dissolutions and many of the members moved to other groups, the agency said.

Meanwhile, police apprehended 384 members of the Yamaguchi-gumi in a sweeping raid on the group on both Tuesday and Wednesday, the agency said.

The police raid led to the confiscation of 15 guns, it said.

North Korea

IAEA: DPRK Has 1 Month To Accept Inspections

SK2502005593 Seoul YONHAP in English 0045 GMT 25 Feb 93

[Text] Vienna, Feb. 24 (YONHAP)—The International Atomic Energy Agency (IAEA) will set a one-month deadline for North Korea to explain discrepancies in its report and accept a special inspection, agency sources said Wednesday. A resolution submitted by some 20 of the 35 members of the IAEA Board of Governors confirmed that the IAEA must conduct a special inspection on two unreported sites inside the Yongbyon Complex.

The resolution, to be adopted by the board late Thursday, will set the deadline at March 25 for North Korea to clear up the discrepancies in its report to the IAEA and complete procedural negotiations for the special inspection, the sources said. The one-month period is intended to give North Korea one last chance to clear itself, they said, but they were pessimistic on chances of North Korea accepting the inspections.

Pyongyang denies access to two unreported sites that the IAEA claims to store nuclear waste from plutonium extraction. The agency says sampling the material from these sites is critical to determining how much plutonium North Korea has. Talks of special inspection and sanctions are to resume in late March, after the deadline passes, and an extraordinary board of governors session is likely to convene around that time, according to the sources. A seventh IAEA ad hoc inspection team plans to go into Yongbyon in late March and try to take samples of the nuclear fuel from a radio-chemical laboratory that IAEA Director-General Hans Blix said would be a nuclear reprocessing facility when completed. Pyongyang has refused to give the samples so far for what it says are safety reasons.

Committee Chairmen Denounce Team Spirit, Inspections

SK2502113993 Pyongyang KCNA in English 1104 GMT 25 Feb 93

["Joint press conference"]

[Text] Pyongyang, February 25 (KCNA)—North side's chairmen of the subcommittees of the inter-Korean high-level talks and North-South joint committees jointly called a press conference at the people's palace of culture here today in connection with the fact that the South Korean authorities have created a grave situation on the Korean peninsula by forcing the plan of the "Team Spirit 93" joint military maneuvers together with the United States.

Paek Nam-chun, North side's chairman of the political subcommittee, addressed the press conference. He said the South Korean authorities were aggravating the North-South relations and bringing the situation to the extreme pitch of strain as a "shock brigade" in the campaign for a "special inspection" of the DPRK which was launched by some quarters of the International Atomic Energy Agency (IAEA) following the lead of the United States.

"The resumption of the provocative 'Team Spirit' exercises by the South Korean authorities with an outcry over the North's 'nuclear problem' is part of their moves to nullify the North-South agreement and the joint declaration on denuclearization," Paek Nam-chun said.

He recalled that when the North and South adopted the joint declaration on denuclearization, it was agreed that the South side should suspend the "Team Spirit" and the North side should sign the safeguards agreement under the non-proliferation treaty and accept nuclear inspection by the IAEA.

"Our side has undergone several rounds of ad hoc inspection by the IAEA, respecting the agreement between the sides," he said, and added: "In this course, the honesty of our nuclear policy has been proved. In other words, it has been verified that we do not manufacture nuclear weapons nor do we have the intention to do so."

He denounced the resumption of the "Team Spirit" by the South Korean authorities in contravention of the points of agreement between the North and the South as a treacherous act serving for the interest of outside forces.

He said the main purpose of the South Korean authorities in running about feverishly for the "Team Spirit" nuclear war game under the baton of the United States was to lead the North-South dialogues to a collapse, totally block the implementation of the North-South agreement and the joint declaration on denuclearization, prevent an overall inspection of the U.S. nuclear weapons and bases in South Korea, invent a pretext for the U.S. military occupation of South Korea and conceal their own nuclear arms development.

"The agreement and the joint declaration on denuclearization to which the North and the South committed themselves before the nation and the world must be carried into effect without fail," he urged, and added: "Such act as allowing outside forces to fish in troubled waters and victimizing the nation must never be tolerated." "The South Korean authorities must make a bold decision to stop the 'Team Spirit' and the campaign for a 'special inspection' of the North". Questions put by reporters were answered at the press conference.

KCNA Reports on U.S., South 'Espionage' Activity

SK2502054593 Pyongyang KCNA in English 0428 GMT 25 Feb 93

[Text] Pyongyang, February 25 (KCNA)—The U.S. imperialist aggressors Tuesday sent two U-2 high-altitude strategic reconnaissance planes and RV-1 and RC-12 army tactical reconnaissance planes to the sky above the Military Demarcation Line for a photographing and espionage on targets in the in-depth and frontline areas and coastal areas of the northern half of Korea, according to military sources.

In another development that day, scores of fighter planes based in Japan proper and the Pacific were brought to the skies above Kunwi, Yoju and Anmyon Islet of South Korea, refuelled in flight, to stage a joint air war game against the northern half of Korea in coordination with fighter-bombers, assault planes and observation planes belonging to the U.S. Seventh Airforce and the puppet airforce. More than 250 warplanes of various types were mobilized in this gamble.

On the same day, aggression army troops and lethal equipment were airlifted to U.S. airforce bases in South Korea by some ten large transport planes from the U.S. mainland and Pacific bases and were deployed again in the assembly area by trucks, trains and helicopters.

Commentary Criticizes New South Korean President

SK2502040893 Pyongyang Korean Central Broadcasting Network in Korean 0036 GMT 25 Feb 93

[NODONG SINMUN 25 February commentary: "Act of Impairing National Dignity"]

[Text] In an interview with the U.S. magazine NEWSWEEK, Kim Yong-sam, who will soon take office as another ruler of South Korea, said that the nuclear inspection and North-South dialogue are linked to each other and put forward nuclear inspection as a precondition for dialogue.

He also stated that if we do not accept special inspections by the International Atomic Energy Agency [IAEA], he will not allow North-South dialogue or visits by South Korean businessmen to the North.

Not only dialogue for implementation of the North-South agreement, but also the Joint Nuclear Control Committee [JNCC] for implementation of the joint denuclearization declaration have been frozen [tonggyol sangtae].

This is because the South Korean authorities, together with the United States, aggravated tension by resuming the Team Spirit joint military exercise with the fictitious nuclear issue of the North as a pretext.

The nuclear inspection issue of the North and the South, which is still placed on the agenda of the North-South JNCC, has not been resolved because the South Korean authorities are frantically opposed to the overall inspection of U.S. nuclear weapons and nuclear bases in South Korea. For this, they should be held totally responsible.

Who on earth has driven North-South dialogue into the state of a complete freeze and disturbed the solution to the North-South nuclear inspection issue? How can Kim Yong-sam dare provoke other people with the nuclear inspection issue by reversing black and white?

Moreover, even before he took the presidential office, he acted as if he was bestowing benevolence over the issue of dialogue, collaboration, and exchange between the North and the South. This is indeed ridiculous and presumptuous.

We have never invited South Korean business to visit us. We have no intention to sit face to face with the traitors who attempt to harm the fellow countrymen by treasuring collusion with outside forces more than the pledge made with fellow countrymen.

The grave issue is that Kim Yong-sam took the lead and joined in a row of special inspections which some quarters of the IAEA are enforcing on us at the United States' instigation.

As has already been exposed, the special inspection commotions against us are a product of a conspiracy by the imperialist reactionaries who are trying to fish in troubled waters by sacrificing our people.

The Korean people, who love the nation and the people, should not commit a traitorous act of leaving our nation in the hands of big countries as their victim, being dragged into the conspiracy of big countries.

Nevertheless, the so-called president-elect who will soon take office as the president is dancing to the tune of big countries which are attempting to expand the sphere of domination by sacrificing the Korean people, thus committing one nation-selling flunkeyist act after another. This evoked indignation and deploring among the people.

Kim Yong-sam recklessly provoked us—the fellow countrymen—by responding to special inspection commotions of the imperialist reactionaries. Viewing this, he has no sense of national independence whatsoever and his new so-called government is also going to follow intact the flunkeyist policy, ruinous to the nation, of the rulers of the Sixth Republic who tried to realize their political avarice under the protection of outside forces.

Kim Yong-sam's act of instigating confrontation with fellow countrymen with the special inspection issue is a treachery intended to drive the lands of the fatherland into calamities of war by following outside forces and to offer our people as victim of big countries. This is an act which can be perpetrated only by nation-selling flunkeyists who discarded all national conscience and dignity and who treasure the interests of outside forces more than our national interests.

Whenever he has found the opportunity, he has praised the U.S. masters and has actively supported their maneuvers of aggression and interference. This illustrates that he has been tamed by the United States and is dancing to its tune, just as the preceding ruling bunch, and that he is trying to maintain his political life with his obedience and flattery to the masters.

What will be offered to nation-selling flunkeyists and national traitors who are trying to survive by clinging to their masters' sleeves and harming fellow countrymen in collaboration with outside forces, is only the curse and denunciation of history and people. It is good for Kim Yong-sam to act with discretion.

Criticism From Press

SK2502051593 Pyongyang KCNA in English 0456 GMT 25 Feb 93

[Text] Pyongyang, February 25 (KCNA)—NODONG SINMUN and MINJU CHOSON today comment on the treacherous remarks made by Kim Yong-sam, soon to be inaugurated as the new ruler of South Korea, in an interview with NEWSWEEK.

He set "nuclear inspection" as a precondition for dialogue, contending that "nuclear inspection" and "inter-Korean dialogue" "were linked together." And he said that the "North-South dialogue" and South Korean businessmen's visits to the North "would not be permitted" unless the North accepted a "special inspection" by the International Atomic Energy Agency.

The responsibility for the deadlock of North-South dialogue and for the failure to solve the problem of North-South nuclear inspection rests with the South Korean authorities who have decided to resume the "Team Spirit" joint military exercises and are refusing an overall inspection of the U.S. nuclear weapons and bases in South Korea, a NODONG SINMUN analyst says, and goes on:

We have never invited South Korean businessmen, nor have the intention to sit at the negotiating table with the traitors who are trying to do harm to fellow countrymen, setting greater store by collusion with outside forces than their promise to fellow countrymen.

Judging from the act of Kim Yong-sam groundlessly hurling mud at us, the fellow countrymen, while singing duet with the imperialist reactionaries in the clamor for "special inspection", he has not an iota of the spirit of national independence and his new "regime" would follow the policy of flunkeyist treachery of the rulers of the "Sixth Republic" who have tried to gratify their political greed under the aegis of outside forces.

Kim Yong-sam incited confrontation with fellow countrymen with outcries over the problem of "special inspection." His remarks are a rigmarole that could be uttered only by the flunkeyist traitors who discarded their national conscience and dignity and attach greater importance to the interests of outside forces than national interests; it is a treacherous act to plunge the territory of the country into the holocaust of war by following outside forces and to make our nation a victim to great powers.

A MINJU CHOSON analyst says:

Kim Yong-sam's acts of flunkeyist treachery to aggravate the North-South relations over the nuclear problem after he came to power, acting upon orders from the United States, are bound to face condemnation by the nation. He must bear this in mind and act with discretion.

Daily Warns New South Regime To 'Break' With Past

SK2402121193 Pyongyang KCNA in English 1118 GMT 24 Feb 93

["S. Korean 'Sixth Republic' Commits Indelible Crimes"—KCNA headline]

[Text] Pyongyang, February 24 (KCNA)—NODONG SINMUN today, referring to the indelible crimes in history committed by the South Korean "Sixth Republic", warns that unless the new "regime" of the "Democratic Liberal Party" declares its decisive break with the "Sixth Republic" and liquidates the latter's irregularities, its future will not be safe either.

The paper says:

"No Tae-u has made more than [word indistinct] 'commitments' since he made 'commitments on democracy' in his June 29 declaration to save the situation and take power when the 'Fifth Republic' military dictatorship was driven into a crisis. But all of them have turned out to be lies.

"He has not implemented his 'commitment to clear away the Fifth Republic's irregularities' but has caused more terrible irregularities during the years of the 'Sixth Republic.' The liquidation of the injustices of the 'Fifth Republic' promised by the 'Sixth Republic' was hushed up with Cho Tu-hwan's perfunctory 'testimony at the National Assembly' and his hermitage at the Paektam temple. No Tae-u threw away like a pair of old shoes the 'commitments to intermediate assessment' which he had made in the 'presidential elections'".

Recalling that No played the title role in framing up the "Democratic Liberal Party" through the merger of the "Democratic Justice Party," the "Reunification Democratic Party" and the "New Democratic Republican Party" to upset political situation of the small ruling party and big opposition camp created by the people's will and turn the "National Assembly" into a theater of one-party show, the paper says:

"The No military fascist group has plunged the economy and people's living into the slough of poverty and distress, seeking only the maintenance of the fascist power and its comfort.

"Well known are such crimes of the 'Sixth Republic' as courting the U.S. favor, entreating for the U.S. Forces' permanent presence of South Korea and its conversion into a nuclear base and leaving the interests of the nation totally to the tender mercy of outside forces and such crimes in external affairs and in North-South relations as attaching greater importance to collusion with outside forces than reconciliation and unity with fellow countrymen, staging the 'Team Spirit' nuclear war game against fellow countrymen and acting as a 'shock brigade' in the 'special inspection' campaign. What is awaiting the 'Sixth Republic' in its waning days is a judgement by history and people."

PRC Armistice Commission Representative Honored

SK2502053493 Pyongyang KCNA in English 0423 GMT 25 Feb 93

[Text] Pyongyang, February 25 (KCNA)—The Korean People's Army [KPA] delegation of the Korean-Chinese side to the Military Armistice Commission [MAC] gave a party Wednesday for Maj. Gen. Tian Sheng, outgoing member of the Chinese People's Volunteers [CPV] of the Korean-Chinese side to MAC.

Present at the party were Maj. Gen. Yi Chan-pok, KPA member of the Korean-Chinese side to MAC, and other officials concerned.

Members of the CPV delegation of the Korean-Chinese side to MAC were invited.

Speeches were exchanged at the party which proceeded in a friendly atmosphere.

Daily Denounces Japanese Military 'Contribution'

SK2502112193 Pyongyang KCNA in English 1046 GMT 25 Feb 93

[Text] Pyongyang, February 25 (KCNA)—The Japanese Government and high-ranking authorities of the Liberal-Democratic Party these days are talking about their greater military "contribution" to maintain "international peace and security".

Commenting on this, NODONG SINMUN today says:

Military "contribution" of Japan is chiefly aimed at protecting its economic interests abroad and establishing its sphere of influence and, at the same time, taking the position of a "leading state of the world" when the position of superpowers has weakened.

For the present, Japan is making every diplomatic effort to obtain a permanent seat on the UN Security Council and intending to dispatch Armed Forces to many disputed areas of the world, regarding it as an important condition to increase its military "contribution."

The Japanese ruling quarters are trying to immediately alter the war-renouncing constitution in order to increase Japan's military "contribution."

This means to remove all elements that stand in the way of war and create conditions for committing armed intervention and war of aggression against other countries by brandishing its military force at random.

The dangerous nature of the military "contribution" lies in that it will enable Japan to further accelerate its pace toward a military power and nuclear armament.

The nuclear armament of the "Self-Defence Forces" is the immediate goal of Japan for a military power.

If Japan really wants to contribute to world peace, it should not amend its constitution but respect the principle of peaceful solution of disputes and play a positive role to this end.

Military "contribution" will lead Japan itself to disaster.

Groups Seek Normalization of Ties With Japan

SK2502115393 Pyongyang KCNA in English 1013 GMT 25 Feb 93

[Text] Pyongyang, February 25 (KCNA)—Since the joint declaration of the Workers' Party of Korea and the Liberal Democratic Party and the Social Democratic Party of Japan regarding Korea-Japan relations was published on September 28, 1990, Japan-Korea friendship organizations have been further expanded and strengthened and many new organizations been organized in Japan, conducting brisk activities for an early normalization of Japan-Korea diplomatic relations.

The dietmen's league for the promotion of Japan-Korea friendship held a general meeting to elect its new officials and expanded and reinforced its organization.

New dietmen's leagues for the promotion of Japan-Korea friendship involving the Liberal Democratic Party, the Social Democratic Party, the Komei Party and other political parties came into being in Miyagi and Toyama prefectures, Sendai and Ishimaki cities and commenced their work.

The Osaka prefectural assembly dietmen's league for the promotion of Japan-Korea friendship appeared in Osaka prefecture. And the Hyogo and Aichi prefectural people's councils for the promotion of the normalization of Japan- Korea diplomatic relations and many other organizations were inaugurated. New organizations for Japan-Korea friendship were formed and are energetically conducting various activities.

The national liaison council of the Japanese side to the fact-finding group on the drafting of Koreans, the Oita prefectural fact-finding group and other fact-finding groups emerged in different parts of Japan to delve into the crimes of the Japanese imperialists, deepening their investigation.

As a result of the vigorous campaigns for the adoption of resolutions and recommendations urging an early normalization of Japan-Korea relations, 2,563 assemblies including Tokyo Metropolis and Hokkaido and 40 prefectures adopted and submitted resolutions and recommendations to the competent authorities of the government and the foreign ministry by the end of December last year resolutions and recommentations had been adopted by 626 local autonomous assemblies till March 1991.

1991 alone witnessed various forms of rallies, seminars and lecture meetings on more than 2,500 occasions as well as signature-collection and other diverse campaigns.

Appeals adopted at meetings of different circles of Japan for an early normalization of Japan-Korea diplomatic relations strongly urged the government to set 1993 as the year of realizing the normalization.

Peruvian Defense Minister-Led Group Continues Visit

Visits KPA Unit

SK2502100293 Pyongyang Korean Central Broadcasting Network in Korean 1500 GMT 23 Feb 93

[Text] A Republic of Peru military delegation led by His Excellency Defense Minister Victor Malca Villanueva has visited a Korean People's Army [KPA] unit to which Comrade Cho Myong-sun belongs. Comrade O Chin-u, minister of the People's Armed Forces, and KPA Vice Marshal Kim Kwang-chin accompanied the delegation.

A ceremony took place at the unit to welcome the delegation. The guests observed a military training exercise of the soldiers of the unit who, filled with pride in upholding the dear leader Comrade Kim Chong-il as KPA supreme commander, were preparing themselves to be one-a-match-for-100 soldiers.

The delegation head said that upon observing soldiers in training, he became heightened in spirits and that the KPA was fully prepared to defeat a powerful enemy.

Previously, the delegation visited KPA Unit No. 809. The delegation visited the Mangyongdae School Children's Palace, Panmunjom, and various other places. It viewed the concrete wall that the U.S. imperialists and the South Korean authorities had built in areas south of the Military Demarcation Line.

Received by Kim Il-song

SK2502005393 Pyongyang KCNA in English 1535 GMT 24 Feb 93

[Text] Pyongyang, February 24 (KCNA)—The great leader President Kim Il-song today received the visiting military delegation of Peru led by Defense Minister Victor Malca Villaneuva.

Present on the occasion were Minister of People's Armed Forces O Chin-u and Vice Marshal of the Korean People's Army Kim Kwang-chin.

President Kim Il-song conversed with the guests in a cordial and friendly atmosphere.

The defence minister presented him with a gift.

Presents Gift to Kim Chong-il

SK2502012693 Pyongyang KCNA in English 1536 GMT 24 Feb 93

[Text] Pyongyang, February 24 (KCNA)—The dear leader Comrade Kim Chong-il was presented with a gift by Peruvian Defence Minister Victor Malca Villaneuva on a visit to Korea.

The gift was handed to Minister of People's Armed Forces O Chin-u.

Foreign Minister Receives New Rwandan Envoy

SK2502000993 Pyongyang KCNA in English 1533 GMT 24 Feb 93

[Text] Pyongyang, February 24 (KCNA)—Vice-premier and Foreign Minister Kim Yong-nam today met and had a talk with new Rwandan Ambassador to Korea Rukira Issidore Jean Baptiste who paid him a courtesy call.

Kim Il-song's, Kim Chong-il's 'Loving Care' Noted

For Miners

SK2402235093 Pyongyang KCNA in English 1515 GMT 24 Feb 93

[Text] Pyongyang, February 24 (KCNA)—The February 8 Chiktong youth coal mine in Sunchon city in the central western part of Korea is a promising coal producer of the nation.

Modern houses lying in regular rows there guarantee the coal miners an affluent and cultured life.

The town of coal miners, an imitation of Nagwon street of the capital city of Pyongyang, took shape under the loving care of the dear leader Comrade Kim Chong-il.

One evening in September 1968, during his on-the-spot guidance of industrial estabishments in South Pyongan Province, Comrade Kim Chong-il climbed a hill near the coal miners' village and looked over the dwelling houses lying scattered along a stream. Pointing to the village, he told officials to build a modern town of coal miners there after readjusting the valleys and channelling the winding stream in one direction.

That day he gave detailed instructions. He said that a far-reaching plan for the construction of the Chiktong district town should be drawn up well, first of all, by taking into account the features of the surrounding mountains and lay of the land, that multi-storied apartment houses, a hospital, stores and welfare service facilities should be distributed harmoniously and that more than one school be built as the number of students would steadily increase. He said, if the coal miners are to be provided with more cultured living conditions, the winding stream should be straightened, retaining walls be built, roadside trees be planted, flower gardens be made and the project of water service and drainage systems be built well.

Under his care, the mountain village of coal miners turned in a year into a modern town with multi-storied apartment houses along the nearly straight pavement of four kilometres, schools, a house of culture welfare service facilities, one of the best hospitals of the nation, a railway station and underpasses.

One day in December 1983 Comrade Kim Chong-il was informed that the need for drinking water jumped as the scale of the coal mine and the number of the inhabitants increased. So, he took a measure for forming one more water service system in the Chiktong area.

As a result, a new system of water service supplying water enough and to spare was built in that area.

The loving care of Comrade Kim Chong-il has enabled the coal miners to overfulfil their assignments of coal production every year as the source of their inexhaustible energy and enthusiasm.

For Villagers

SK2402235693 Pyongyang KCNA in English 1525 GMT 24 Feb 93

[Text] Pyongyang, February 24 (KCNA)—The farmers in Chongsan-ri, Kangso district Nampo municipality are busy with farming preparations to reap bumper crops again this year.

They are carrying 1,000 tons of home-made compost out to fields every day. Their goal this year is to gather in ten tons of paddy rice and 13 tons of maize on an avrage from each hectare.

Chongsan-ri is a significant village where the great leader President Kim Il-song created the famous Chongsan-ri spirit and Chongsan-ri method during his on-the-spot guidance in February 1960.

President Kim Il-song visited the village, leaving his footmarks on the virgin snow on the early morning of Feb. 5 that year. He dropped in a farm house and acquainted himself with the living conditions of the family and then he visited the houses of other farmers including a woman workteam head.

Through his visit to the farm houses, he grasped and analysed the conditions of the village. During the days he spent in the village he organised consultative meetings with party members and workteam members, had talks with farmers in the fields and held round-table talks with different segments of people and consultative meetings of ri party and management officials on dozens of occasions.

Having deeply grasped the conditions of the village through various forms and methods, he solved knotty problems in farming and taught the officials how to work.

He also acquainted himself with the conditions of Kangso County (now Kangso district), beside Chongsan-ri.

The party members alone he talked with to grasp the county's work during his on-the-spot guidance number more than 60.

Through his 15 days of on-the-spot guidance, he taught the officials new method and style of work, that is, giving priority to political work in all undertakings and always going down to the work places and mixing with the masses in order to have a good grasp of the conditions and find correct solutions to problems.

He found himself again in Chongsan-ri on the last day of February and the 20th of April in order to grasp and analyse what had been done and rectify the wrong points.

Greatly encouraged by his on-the-spot guidance, the farmers spread on the fields twice as much compost as in the previous spring and sowed the seeds and transplanted rice seedlings 20 days ahead of schedule.

In September that year, President Kim Il-song visited the village and expressed deep satisfaction with the bountiful crops raised by the farmers.

He has visited Chongsan-ri on more than 100 occasions to indicate the way for it to follow and sent many modern means of farming to the village since the liberation of the country.

The once backward village has turned into a paradise under his wise guidance and warm loving care.

Modern houses for hundreds of families have been built and tractors, trucks and modern farm machines have replaced human labour in farming.

The grain output has trebled over the last 20 odd years.

The Chongsan-ri spirit and Chongsan-ri method with a great attraction have been applied to all parts of the country and brought about innovations and an upswing everywhere.

The spirit and method created by President Kim Il-song through his on-the-spot guidance still display a great vitality as a model at all units.

Editorial Hails LSWYK Congress Success

SK2402145093 Pyongyang Korean Central Broadcasting Network in Korean 0013 GMT 24 Feb 93

[NODONG SINMUN 24 February editorial: "Let the Youths Wage a Vigorous Struggle for the Completion of the Chuche Revolutionary Cause Under the Party's Leadership"]

[Text] The Eighth Congress of the League of Socialist Working Youths of Korea [LSWYK], which has become a landmark in the development of the youth movement of our country, ended the discussion of its work successfully. Upholding the respected and beloved leader Comrade Kim Il-song and the dear leader Comrade Kim Chong-il, the congress was held in an extraordinarily heightened political atmosphere and displayed warm and passionate loyalty to the party and the leader.

The dear leader Comrade Kim Chong-il, who brilliantly inherits and embodies the respected and beloved leader Comrade Kim Il-song's ideas about the youth movement, took great interest in and gave great consideration to the work of the congress and gave meticulous guidance to it, helping to make the congress a great political festival unprecedented in the history of the youth movement.

The respected and beloved leader Comrade Kim Il-song sent the Eighth LSWYK Congress an historic letter, "Let the Youths Brilliantly Complete the Chuche Revolutionary Cause Upholding the Party's Leadership." The great leader Comrade Kim Il-song gave a high appraisal of our youth's immortal contribution to playing their role with excellence as the vanguard of the revolution and defending, adhering to, and advancing our revolutionary cause since the pioneering era of the Korean revolution. He proclaimed the great role of the new generation of youth in defending and adhering to our party's cause today and comprehensively and profoundly elucidated the tasks for brilliantly inheriting and completing the socialist cause.

The respected and beloved leader Comrade Kim Il-song's letter is an immortal work which comprehensively sums up the inheritance and completion of the revolutionary cause and the ideology, theory, and experience of the youth movement. It is historical literature which clearly elucidates the future of the youth movement of our country, which follows the tested leadership of the great leader [widaehan yongdoja]. It is a militant banner that powerfully propels the LSWYK organizations and youth to the struggle for the completion of the chuche socialist cause.

Our youth and people who have heard this immortal work that the respected and beloved leader Comrade Kim Il-song sent the congress are filled with endless gratitude and joy. They are firmly resolved to wage a more vigorous struggle for the hopeful future. Because the respected and beloved leader Comrade Kim Il-song sent the congress the historic letter and because the dear leader Comrade Kim Chong-il published upon the convocation of the congress the immortal work "Let Us Develop Our Country's Youth Movement Onto a New Higher Plane," the Eighth LSWYK Congress has become an historic event of truly great significance in the development of our country's youth movement and in the political lives of our youths.

The congress clearly showed the Korean youths' indomitable spirit to complete the cause of the socialism of our own style generation to generation upholding the great leader [widaehan suryong] and the great leader [widaehan yongdoja] under the chuche banner. The congress proudly summed up the fact that the Korean youths are firmly prepared to be the loyal youth vanguards who uphold the great leader [suryong] and the great leader [yongdoja] with faith and fidelity and that the system of upholding the party's leadership has been firmly established among the entire LSWYK membership. The LSWYK and the youths renewed their pledge of loyalty to share the destiny with the party forever and to complete the chuche socialist cause to the end, upholding the dear leader Comrade Kim chong-il's leadership.

It was the noble spirit powerfully demonstrated through the congress that all the youths become our party's dependable youth vanguards, protect and defend the dear leader Comrade Kim Chong-il politically, ideologically, and at the cost of their lives, and uphold the leader's [yongdojaui] firm belief and volition.

The Eighth LSWYK Congress has become an historic turning point which erected an immortal landmark in developing our country's youth movement onto a new higher plane under the leadership of the dear leader Comrade Kim Chong-il. The congress discussed the struggle tasks and methods for developing our country's youth movement onto a new higher plane based on the successes and valuable experiences that have been made in the development of youth movement. The congress clarified the nature and mission of the revolutionary youth movement which upholds our party's ideology and leadership with active initiative. The congress brought a momentous turning point in brilliantly completing the party's cause, the chuche socialist cause, generation after generation and in precisely embodying the party's leadership method and struggle ethos.

The Eighth LSWYK Congress is significant because it vigorously encouraged and inspired youth into the struggle to implement our party's grand plan and strategy for socialist construction. Our party has formulated a bold and broad plan and strategy to resolutely safeguard and defend socialism of our own style and to add more luster to it by smashing all kinds of challenges and obstructions by the imperialists and reactionaries, and today it is wisely organizing and leading the struggle for their realization.

At the current congress all youths were firmly resolved to display unstintingly their youthful energies and mettle, not only in the socialist construction struggle to implement the party's grand plan and strategy, but also in expediting national reunification and vigorously accelerating the anti-imperialist cause for independence.

Indeed, the Eighth LSWYK Congress not only vigorously proved the correctness of the dear leader Comrade Kim Chong-il's unique ideology and policy concerning the youth movement and the wisdom of his leadership, but also opened up a bright vista for the new advance along the road designated by the party center in the course of the youth movement. Accordingly, the congress will be brilliantly recorded as most significant in the youth movement.

Our LSWYK organizations and youth are faced with the task to effect greater advance in the struggle for developing the youth movement and for inheriting and consummating the socialist cause, upholding the ideology, theory, and tasks expounded in the respected and beloved leader Comrade Kim Il-song's historic letter, "Let Youth Brilliantly Consummate the Chuche Revolutionary Cause, Upholding the Party's Leadership."

All youth should inherit our revolution's tradition of unity, firmly unite in one mind around the dear leader Comrade Kim Chong- il, and follow the party's leadership with loyalty.

The great leader Comrade Kim Il-song has taught: Youth should firmly unite in one mind around Comrade Kim Chong-il and uphold the party's leadership with loyalty just like the first generation of our revolution who, having pioneered the glorious road of the Korean revolution, firmly united around their leader in their struggle. The revolution can victoriously advance only when the popular masses are firmly united around their leader and follow his leadership. That our people could win victory in the arduous anti-Japanese revolutionary struggle in the past was precisely because they achieved the single-hearted unity of the revolutionary ranks around the respected and beloved leader [suryong]. Today our revolution is being brilliantly inherited and developed under the leadership of the dear leader Comrade Kim Chong-il, the great leader [yongdoja] who is infinitely loyal to the popular masses' cause of independence.

All youth should firmly unite in one mind around the dear leader Comrade Kim Chong-il and uphold and follow the party's leadership with loyalty, just like the first generation of our revolution who, having pioneered the glorious road of the Korean revolution, firmly united around the respected and beloved leader in their struggle.

Firmly uniting in one mind around the dear leader Comrade Kim Chong-il and following and upholding our party's leadership is precisely the demand of our revolution, and herein lies the firm guarantee for resolutely defending and consummating to the end the socialist cause under any difficult and complicated situation and for brilliantly achieving the historic cause of national reunification.

LSWYK organizations should firmly grasp indoctrination work in loyalty as a major task and deeply implant among youths the greatness of the dear leader Comrade Kim Chong-il and the wisdom of his leadership. Thus, they should lead youth to firmly trust the great leader [yongdoja] as the pillar of their minds, to follow our party center to the end under any difficult circumstances, and to be infinitely loyal to the party's cause.

All youth should inherit the pure tradition of loyalty of the youth of the old generations of the revolution. Thus, all of the 5 million youth vanguards should become bayonets and bombs, resolutely defend the dear leader Comrade Kim Chong-il, and faithfully uphold our party's cause.

The LSWYK is a political reserve unit of our party, and youth are linked with the party organizationally through the LSWYK. LSWYK organizations should thoroughly establish the party's leadership system within the league so that all LSWYK organizations and youth can move as one under the unitary leadership of the dear leader Comrade Kim Chong-il.

With high revolutionary pride in and the honor of being young Korean people who are living and carrying out the revolution in the most honorable era led by the dear leader Comrade Kim Chong-il, the three revolutions team members must enthusiastically participate in organizational activities in the LSWYK, endlessly season themselves by participating in organizational activities, and strongly prepare themselves as the party's loyal revolutionary fighters.

The young people must be strongly prepared as socialist builders, with high creative capabilities and noble traits, to brilliantly inherit and complete the chuche revolutionary cause generation after generation.

If they are to become able workers in socialist construction, young people must have great loyalty to the party and the revolution, abundant scientific and technological knowledge, cultural knowledge, and military knowledge.

Devotion to the worthwhile struggle to advance and complete the socialist cause, not personal pleasures, lead to young people having valuable lives. Under the uplifted banner of the three revolutions, young people must devote their fervor and talent to the struggle to thoroughly implement our party's chuche-oriented line on socialist construction and further glorify the socialism of our own style and thus glorify their valuable period in a most valuable manner.

Our party calls young people to important guardposts of socialist construction and hopes that all the young people will become innovators and heroes in production and construction.

Only when plants and rural areas are filled with hot-blooded and courageous young people will they be filled with high spirits, and only when young people play the roles of vanguards and shock brigade members in production and construction, can the party's grand economic construction plan be implemented brilliantly.

Young people must become heroes of creation and construction in the worthwhile struggle for creation and construction to implement the party's plans while overcoming all trials and difficulties with the revolutionary spirit of self-reliance and arduous struggle.

Young people must conquer scientific fortresses, make every effort to learn higher scientific and technological knowledge with a resolve to glorify the fatherland with science and technology, and positively participate in the technological innovation movement.

Young people are basic elements for national defense, and defending and safeguarding the socialist fatherland is the young people's noblest mission. With a correct view on imperialism and war, young people must consider it to be the greatest honor to sincerely learn military affairs, positively petition to be allowed to join the People's Army, and sincerely fulfill their military duties and excellently fulfill the duty of national defense. They must also make every effort to positively implement our party's self-defensive military lines.

A noble moral sense and sound ways of life are important traits that our young people must possess. Young people must have a sound moral sense and lead lives in a revolutionary manner. In this way, they must consolidate unity and cohesion among our people and fill the entire society with a revolutionary mode of life.

Reunifying the fatherland to ensure that all the fellow countrymen lead happy lives is our nation's earnest desire. Young people are standard bearers on the road toward reunification. They must lead all the fellow countrymen to the struggle to reunify the fatherland in the nineties. They must not forget the South Korean youth and students and people, who are struggling for independence, democracy, and national reunification, even for a moment and support and assist their struggle.

Our young people must sincerely fulfill their national duties for the revolution, set examples in fulfilling their international duties, and further strengthen friendship, unity, and solidarity with progressive young people throughout the world under the ideals of independence, peace, and friendship.

All of the young people have very high revolutionary fervor and spirits. Therefore, party organizations must carry out ideological indoctrination work and give top priority to giving guidance to LSWYK organizations in particular.

No force can block the revolutionary march of our young people who, filled with confidence and optimism, are struggling for the ultimate victory of the socialist cause under the great party's leadership.

In hearty response to the programmatic tasks which the respected and beloved leader Comrade Kim Il-song presented in his historic letter "Young People Must Honorably Accomplish the Revolutionary Cause of Chuche Upholding the Leadership of the Party," all young people must be strongly united around the party and must more vigorously fight for the victorious advance and completion of the socialist cause.

KCNA Reviews 25 Feb Pyongyang Press

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[Press review]

[Text] Pyongyang, February 25 (KCNA)—Papers here today print photo-illustrated reports that the great leader President Kim Il-song separately received a Peruvian military delegation and a delegation of the 'For Peace and Socialism-The Communist Workers' Party of Finland.

The press carries messages of greetings sent by President Kim Il-song of the Democratic People's Republic of Korea to Nouhak Phoumsavan upon his reelection as president of the Lao People's Democratic Republic and Amir of Kuwait Jabir al-Ahmad al-jabir al-Sabah on the occasion of the national day of Kuwait.

Seen in papers are a letter from the meeting of Korean intellectuals in Japan to President Kim Il-song, an account of the meeting and a report delivered there.

"With the Century", reminiscences of President Kim Il-song, was disseminated and studied in different countries, according to the press.

The dear leader Comrade Kim Chong-il received gifts from the Peruvian defence minister and the For Peace and Socialism-the Communist Workers' Party of Finland, reports the press.

Edited in papers are messages of greetings to Comrade Kim Chong-il from foreign party and state leaders and accounts of celebration meetings and functions held abroad in congratulation of his 51st birthday, and voices of foreigners highly praising him.

It is reported in the press that Comrade Kim Chong-il sent birthday tables to 136 delegates who participated in the 8th congress of the League of Socialist Working Youth of Korea.

NODONG SINMUN carries repercussions upon functionaries and young people of "young people must honourably accomplish the revolutionary cause of chuche upholding the leadership of the party", a letter of President Kim Il-song addressed to the 8th congress of the League of Socialist Working Youth of Korea.

Papers introduce the development of the Korean countryside on the occasion of the 29th anniversary of the publication of "Theses on the Socialist Rural Question in Our Country" (February 25, 1964).

NODONG SINMUN informs the readers of beautiful communist traits of all members of society sharing joys and sorrows, helping and leading each other forward in a big family.

The Zambian president received the Korean ambassador to his country, papers report.

Given in NODONG SINMUN is an account of the sojourn of party delegations of different countries in Korea.

Papers report that the U.S. imperialists and the South Korean puppets staged various war exercises aimed at northward invasion.

Papers inform the readers that world public demanded a halt to the row of "special inspection" on the DPRK and that publications of various countries reported about the principled stand of the DPRK on the question of nuclear inspection.

Papers come out with articles denouncing Kim Yong-sam, "president-elect" of South Korea, for his flunkeyist treachery of aggravating the North-South relations by chiming in with the manoeuvres of imperialists for a "special inspection" on the DPRK.

MINJU CHOSON carries a commentary condemning the "Team Spirit 93" joint military exercises of the U.S. imperialists and the South Korean puppets, and NODONG SINMUN an article exposing the dangerous nature of military "international contribution" claimed by the Japanese authorities.

Papers introduce Kuwait on the occasion of her 32nd national day.

Dailies report that celebration functions took place in Moscow on the occasion of the 75th founding anniversary of the Soviet army and the UN secretary general admitted that the UN is under the dominant influence of the United States.

* Seoul Paper Examines Foreign Investment Laws

932C0065A Seoul PUKHAN in Korean Dec 92 pp 22-31

[By O Kil-nam, staff researcher of the Institute of North Korea Studies: "North Korea's Foreign Investment Laws: Backgrounds and Prospects"]

[Text] **Backgrounds**

North Korea released on 20-22 October 1992 contents of its foreign investment-related laws adopted by the Standing Committee of the Supreme People's Assembly on 5 October 1992. They were the Foreign Investment Law (consisting of 22 article), the Cooperation Law (21 articles) and the Foreign Business Law (4 chapters, 31 articles). The announcement was made in a Radio Pyongyang broadcast beamed to South Korea and the Korean Central News Agency, also used for external purposes. As customary in such cases, it is believed that the general public, except government and party cadres, was informed of the government's intent to bring in foreign investment. The newly enacted laws appear to be a reinforcement and consolidation of their predecessors—the Joint Venture Law (the Joint Venture Operation Law, enacted in September 1984), the Detailed Regulations for the Application of the Joint Venture Operation Law (March 1985), the Joint Venture Company Income Tax Law (March 1985) and the Income Tax Law for Foreigners (March 1985). Incidently, the new Cooperation Law and the Foreign Business Law need to be supplemented with detailed enforcement regulations as the old Venture Law was.

Spurred by China's promulgation (1979) of its Foreign Partnership Management Law and the subsequent vigorous push with the opening program, North Korea announced the Joint Venture law in September 1984 to attract direct foreign investment. The result was petty because of the adverse political and investment environment and an inadequate legal system. (As of October 1992, 140 cases of foreign investment had been reported, mostly small-amount cases; their total scale was $150 million, with Chongnyon entrepreneurs' investments accounting more than 70% of it!)

The attempt to lure in foreign investment under the old Joint Venture law had been unpopular, generating a strong opinion among foreign investors that if North Korea was truly interested in coaxing foreigners into investment, it should modify the law drastically. Especially, foreign businesses, seeing neither attraction nor an advantage in setting up their operations in North Korea against the adverse politico-economic environment under the Joint Venture Law, maintained that Pyongyang should at least introduce measures similar to what China did, if it was to make investment attractive. The North Korean action in unveiling, externally, the Foreign Investment Law, containing less pernicious provisions, and related laws can be viewed as a move to meet their demand.

The new three laws are similar to their Chinese counterparts. Patterned after, e.g., the Chinese Partnership Management Law (July 1979), the Cooperative Management Law (April 1988), the Partnership Management Law Enforcement Regulations (September 1983), and the Foreign Economic Contract Law (March 1985), they are composed of parts borrowed from those Chinese laws. Therefore, they are seemingly similar for most parts, except that provisions are generally less specific, it can be said, in comparison with the Chinese laws.

After the collapse of the communist governments in East Europe and the Soviet Union, North Korea saw the foundations of its external economic cooperation program that had served to prop up the system disintegrate. This led to a reproduction on an accumulatively regressive scale, giving rise to an overall economic crisis. As Pyongyang found itself in urgent need to find a way out, it turned to foreign investment for help. This is a fact that cannot be overlooked. one cannot deny that cooperation and joint ventures through foreign investment—which, unlike foreign debts, carry no burden of principal and interest payment—as well as independent investments by foreign entrepreneurs give North Korea opportunities to participate in the world economy and markets. It is understandable that North Korea, confronted by the cuts in imports including crude oil, raw materials and factory equipment due to the depletion of its extreme foreign exchange holding, is working hard to earn foreign currency by introducing foreign investment and expanding cooperation and joint ventures in order to secure imports of such materials. In the international arena, however, the wary, cautious and cold attitude of various countries toward the North Korean leadership is likely to remain unchanged; therefore, prospects for foreign investment as desired by the Pyongyang regime, including the introduction of high technology, are not very optimistic. It is because its economic system, when viewed objectively, does not suit direct investment linked to the market system of capitalism.

Provisions of the new laws, while signaling the readiness of the North Korean leadership for the opening in the area of foreign economic relations, clearly reflect its misgivings and fears for the inevitable consequences—an impact on and a possible collapse of its system. The reason is that the announced Foreign Investment Law is a law governing foreign businesses that will set up their operations in the Najin-Sonbong free economic trade zone, which was designated in December 1991 with "calculations that it can minimize the impact of the opening."

Major Contents, Significance

Of the new laws, most noteworthy, of course, is the Foreign Investment Law. To sum up its major contents:

1. Article 3 of this law stipulates that foreign investors can set up cooperative or joint ventures in North Korea. They can establish foreign businesses in free economic trade zones (such as the Najin-Sonbong).

    1) A venture in which North Korea and a foreign investor invest jointly but which is operated by the North Korean side, repaying the foreign investor what he invested or sharing profit with him according to terms of the contract, is defined as cooperative venture.

    2) In case they do both the investment and operation jointly, sharing profit according to the shares of investment, it is defined as joint venture.

    3) In case the venture is set up and run independently by a foreign investor, it is defined as foreign venture.

2. Article 6 provides that foreign investors can invest in various sectors including industry, agriculture, construction, transport, communications, science and technology, tourism, distribution, and finance.

3. According to Article 7, North Korea positively encourages foreign corporate or individual investment in high-technology industries, manufacturing industries producing goods highly competitive in world markets, resources development and infrastructure (social overhead capital [SOC]) construction sectors, and scientific research and technology development areas. Meanwhile, Article 8 lists incentives for foreign investors in these areas including tax breaks, guarantees for favorable treatment in the use of land, and preferential bank loans.

4. In Article 9, North Korea—focusing on luring foreign investment to the 6.3-million-square-meter Najin-Sonbong free trade zone—guarantees special benefits for investors by allowing them to independently set up and run their operations there.

    1) Exports and imports, except of items specified by the North Korean side, are duty-free.

    2) An income tax exemption is granted for 3 years beginning the first year of profit, followed by a tax cut up to 50% for the next 2 years.

    3) The income tax rate for the free trade zone is 14% of the profit in the closing balance account, which is lower than that applied to other areas.

5. According to Article 15, the North Korean side will lease land to foreign investors and foreign investment ventures for up to 50 years; the transfer or succession of

the lease during the contracted period of lease is allowed if approved by the agency concerned.

6. Regarding employment, Article 16 stipulates that foreign investment ventures shall—except for managerial personnel (professional managers), engineers and skilled workers of special categories as specified in the contracts—employ North Korean labor. Furthermore, it provides that employment and dismissals of workers by foreign investment ventures are exclusively subject to decision by the North Korean labor organization concerned (the trade union which is a "transmission belt" of the Workers Party of Korea [WPK]).

7. Article 19 provides that foreign investment properties shall not be nationalized, and that when nationalization is unavoidable, appropriate compensations shall be paid.

8. According to Article 20, fruits of operations of the venture (namely, legitimate profits, other incomes and funds left after liquidation of the venture) can be remitted overseas in accordance with the North Korean Foreign Exchange Control Law.

The Foreign Investment Law is different from the old Joint Venture Law in certain specific points. It contains no clause of comprehensive restriction by the DPRK (North Korea) (such as Article 4 of the Joint Venture Law), thereby guaranteeing free activity of foreign capital. In addition, to dispel general misgivings on the part of foreign investors for political instability and the controlled economy of a socialist state, it has provisions barring foreign investment properties from nationalization (Article 19), allowing remittances of fruits of the venture out of the country (Article 20), and guaranteeing security for management secrets (Article 21). Also, in connection with foreign investment tangibles, the law recognizes a broad range of properties and property rights, including currency, spot goods, industrial ownership and technology.

Special favors offered by the new joint venture system under the Foreign Investment Law, extremely attractive to investors, include: the tariff exemption for exports and imports (Article 9), income tax exemption for 3 years beginning the first year of profit, followed by a 50% tax cut for the next 2 years (Article 9), simplification of immigration procedures (Article 10), and the 50-year land lease (Article 15).

Investments by South Korean businesses are expected to take one of the two forms: cooperative investment based on the processing-for-hire format in which they offer equipment and technology, or independent investment in the Najin-Sonbong free trade zone. Enterprises planning to branch out to North Korea could, from a long-term point of view, very well show interests in the free trade zone, because the zone is very likely to emerge as a key development spot in a Northeast Asian economic sphere that generated a vigorous debate recently.

Problems and Limits

1. The Foreign Investment Law, as well as the Cooperation law and the Foreign Business Law enacted as its follow-ups, have no supplementary provisions stated in black and white, such as those established in the old Joint Venture Law—namely, provisions dealing with cost accounting, deductible business expenses, inventory valuation, depreciation, and foreign exchange losses. While the North Korean accounting system falls far short of the principles and standards widely accepted internationally, the new laws show no improvement at all. The Foreign Investment Law lacks clarity about the accounting relative to management and technology. It can be said, therefore, that a great deal of shortcomings and seeds of dispute remain unresolved.

2. In respect to the decision-making process in proceedings of the board of directors, namely the top management, the law requires a unanimous vote on all managerial matters, apparently reflecting the North Korean authorities intent to virtually suppress the right of decision for foreign investors. For the sake of flexibility in business management, they should explore and recognize diversity in the way of conducting the proceedings and making decision, respecting the contracts between the parties involved.

3. North Korea is still underdeveloped in the SOC area, particularly in transport and communication facilities. This fact cannot but be an impediment to attracting foreign investment. The WPK has customarily ruled by secrecy, blocking the flow of information on production and the livelihood of the people. This inevitably led to their belittling of the need to develop communication facilities that embody the nation's information processing capability—the most important expression of modern production capability. Even with the few communication facilities North Korea has, they are concentrated in such areas as Pyongyang and Nampo. In the development of the Najin-Sonbong free trade zone, North Korea will, as far as communication facilities are concerned, have no alternative but to rely on new foreign investment projects. It will likely be after reunification that the projected development of the Najin-Sonbong free trade zone will be pushed in earnest.

4. North Korea's international credit rate is lowest in the world since its default of foreign debts. Due to the ignorance, closedness, rigidity, and obstinacy of its leadership, it is unable to provide foreign investors with appropriate and accurate information regarding investment environment. This constitutes the vulnerability of its foreign investment effort.

In its international economic relations, North Korea, for shortcomings in experience and knowledge, is either unable to express itself on a proposed investment in specific, clear-cut, and acceptable terms or negligent about the terms of contract. Consequently, it frequently fails to comply with contracts. North Korean administrators, who have no experience in commercial production or markets, would approach to the other party of a contract, namely the foreign investor, with a simple, single-track way of thinking. As a result, they would not understand the latter's position, thus either showing their ignorance or failing to communicate and get themselves across. Long brainwashed by ideological indoctrination and the rule by secrecy to "block the flow of information," and suppressed of developmental, flexible thinking at the same time, administrators of foreign economic relations totally lack an insight into—and the ability to see through and analyze—realities and future trends. Thus, they would make unreasonable demands in foreign investment negotiations only to meet their failure.

Furthermore, North Korean party and government leaders and administrators of external economic affairs, who lack normal understanding and awareness of "contract," would frequently exhibit their unilateral obstinacy over the interpretation of laws and accords of foreign investment, and arbitrariness and arrogance in the execution of business plans.

In this connection, the late Prof. Hwang Song-mo, in a comment full of implications, said as follows:

"Under rule by ideology, all this modern rationality is bound to be denied. Such things as 'contract' are simply nothing more than capitalist hypocrisy. Only the Leader makes decision on everything; aside from it, nothing counts. The followers are only expected to be totally loyal. What should be the norm of conduct is determined solely by the Fatherly Leader in the name of ideology. The word and order of the Leader is the law."[1]

It is unlikely that North Korea will be very successful in acquiring foreign investment even if it tries to cover flaws of the old Joint Venture Law with the new Foreign Investment Law and thus to entice overseas investors. In this connection, it should be noted that Kim Il-song and Kim Chong-il, the symbol of North Korea's father-and-son theocracy, and other party and government leaders are absolutely incorrigible with their preposterous bias and prejudice in viewing the "contract" itself as capitalist hypocrisy and an evil. This is an important fact. A law put in statutory form like the Foreign Investment Law is important indeed, but the key factor is the contract signed under that law dealing with realities. How could one expect proper conclusion of numerous contracts to those who have no idea of the rule of law nor experience in contract-based exchange, sales, and purchase and who are preoccupied with dogmatic bias?

5. Borrowing the form of cooperation venture, joint venture, and independent foreign investment venture, North Korea has sent the message that it is interested in direct investment (foreign investment), which is free of repayment obligations on the principal and interest. However, a major problem with its effort to bring in foreign investment lies in the fact that market-oriented management and operation—characteristic of capitalism—is irresolvably in conflict with the principles of the regimental- and control-type socio-political leadership based on "the view of the Leader," which is considered the core of the "chuche ideology." It should be pointed out that even under the Foreign Investment Law, cooperative, joint and independent foreign ventures, as well as their production activities, are greatly restricted by domestic laws, systems, and the socio-political leadership principles in particular.

Typical are cases involving labor administration and wages. Social security is not the only area in which control and interferences by the North Korean authorities (WPK) are anticipated. Their influence is as overwhelming with matters such as employment (hiring), dismissals, working hours, and compensations. Foreign investment ventures are allowed to employ workers only through contract with the North Korean labor organization (the WPK-controlled trade union). And the law provides for the "trade union" to supervise employee activities. This reflects the will of the North Korean theocracy that it will never give up its hold on the regimental-type division of work and cooperatives, which form part of production relations characteristic of a slave society. Such division of work and cooperatives characteristic of a slave society—which represent the fundamentals of production relations under "our way of socialism"—will in the long run seriously wither labor productivity, morale, workers' will to work, and eventually management activities too. It should be pointed out that lurking behind Article 21 of the Foreign Investment Law is the party organization's crafty plan to enslave workers, sell them to ventures, then to deprive them of foreign currency they have earned.

6. As was pointed out, the negative, self-defensive and suicidal North Korean attitude toward the opening—as seen in its confining independent foreign ventures to the free trade zone and in its releasing contents of the laws only externally while domestically imposing a news blackout to completely deceive the public—is likely to work as an unfavorable factor in the future development of the Najin-Sonbong free trade zone.

Finally, although North Korea is, outwardly, sending the signal that it will dispel foreign businesses' misgivings and fears through legal devices (thus ostensibly showing signs of change in the closedness that is characteristic of what it call "our way of socialism"), my conclusion is that it can hardly expect any major success in its attempt to attract foreign investment. The reason: It is as clear as day that the risk for the foreign investor in the face of the catastrophic economic crisis that might lead to political instability to a violent collapse of the system is far greater than the incentives and benefits offered legally and institutionally.

Threat of a Violent Collapse of System

The North Korean economy was mired in a permanent crisis in which even simple reproduction was a difficult task, for as long as a decade beginning in the late 1970's or the early 1980's (when Kim Chong-il, officially installed as the heir apparent, began playing an active role in the government) through the late 1980's. The productive forces themselves were completely fettered by non-economic factors or by the production relations controlled by "our way of socialism." Under such circumstances, production of social surpluses was an impossible task; even if it was possible, its scale could not but be insignificantly small. In this connection, we need to recall that this type of situation where social productivity level is low and, as a result, the size of social surpluses is extremely small is what is characteristic of a slave society. Under circumstances where production of surpluses is impossible, a new investment (stockpiling) itself is virtually infeasible and, in some cases, even investment for the sake of preservation (reinvestment) becomes difficult. Under such circumstances, the party machinery under the Kim Il-song - Kim Chong-il theocracy pushed new investment programs and carried out the people's economic plans by depriving the general public of the most basic means of survival, and by suppressing the most fundamental demands in their livelihood. Such new investment plans or people's economic plans, pushed or carried out while productive forces themselves are institutionally fettered, can contribute nothing to revitalizing the economy as an organic extension of human life.

To conclude theoretically that the North Korean economy had a zero growth in the 1980's when Kim Chong-il embarked on an active role in government would be neither too unreasonable nor too far from the fact.

The theocratic party hierarchy headed by Kim Il-song and Kim Chong-il—the godfather of Falangism (plot, overthrow, terror) of darkness, oppression and anachronism—converted the people's economy (volkswirtschaft) into a war economy (kriegswirtschaft), under its unchanging strategy of "creating subjective and objective conditions conducive to a revolution in South Korea and using them to capture South Korea at one stroke and incorporate it into the North Korean rule." As a result, North Korea inevitably took on the look of a military camp. The day-to-day life of the people began bearing the nature of military barracks reminiscent of a concentration camp under full control and surveillance.

Especially, in the 1980's, goods that would normally go into reproduction of human life (labor) directly or indirectly—namely, basic goods produced in the basic sectors (iron, coal, electricity, rice, cement, etc.)—actually went to the military in massive quantities, and in a virtually one-way traffic, to meet its demand or they were squandered massively on monument-type cultural projects designed to preserve the theocratic institution.

Basic goods available to meet nonmilitary demands (for the reproduction cycle) were, in proportion, far less than those used for production of non-basic goods (military-use goods and luxury goods for the slave owners). As a result, the North Korean people, except a handful, were all transformed into debilitated, underfed type of men. Nonmilitary sectors only served as accessories for the military and for cultural projects to preserve the cult of darkness and oppression (the cult of personality). I once shared the life with residents in general in Pyongyang who had the privilege of residing there, for more than a year. And in my estimate, approximately two thirds of GNP in the 1980's were devoted to meeting military demands. Sacrifices made by the general public in North Korea far surpass common sense and imagination.

The massive and one-way-traffic-type diversion of basic goods—which, directly or indirectly, should have been put into the cycle of reproduction—to the production of non-basic goods (for military use and lavish consumption by the slave owners) led to collapses, fissures, and the chaotic state of reproduction in the basic goods branches (including the heavy chemical industry) and deteriorations in the rate of operation in many other branches in the 1980's. A protracted economic slump, therefore, was inevitable and unavoidable. I differ with other North Korea researchers who tend to focus on the self-reliance line or the policy giving the heavy chemical industry priority in their analysis of the "catastrophic state" of the North Korean economy. In my case, I see it from the viewpoint of reproduction theory.

With the fall of the communist governments in the former East European bloc nations and the Soviet Union on which the North Korean economy had more or less relied for life-blood, the foundations of economic and technical aid from them collapsed. Thus, beginning in the late 1980's or the early 1990's, North Korea entered a phase of reproduction on a cumulatively regressive scale, showing negative growth rates.

Last year, North Korea had $9.28 billion in foreign exchange; its foreign trade shrank to $2.7 billion from $4.6 billion in 1990, its imports declining to $1.01 billion from $2.01 billion in 1990. Theoretically, the fact that the North Korean economy recorded negative growth rates in 1989, 1990 and 1991 (and is doing so in 1992 too) clearly indicates that the production relations of "our way of socialism" have lost their overall organic hold and are collapsing and falling apart. North Korea thus fully exposed its energy crisis (electricity and fuel crunches), foreign exchange crisis and critical shortages of food and raw materials.

With its foreign exchange holding hitting the bottom, North Korea is unable to import what it needs for the maintenance of plants and equipment. It is also having difficulty with its oil imports. Thus, the economy is apparently in the worst possible shape, operating at an extremely low rate and production suspended in many branches. (A 20% level would be a safe estimate of the current rate of operation. As a result, facilities left idle are abandoned to natural wear and tear. Selecting and acquiring high technology or new production methods is out of question.) Except for the agricultural sector that relies on natural conditions and weather, the catastrophic situation being suffered by the general public in their day-to-day life defies human imagination. Statistical numbers would by no means show it.

Meanwhile, China is now busy pursuing its own reform programs and the opening policy. Unlike the old days, it is tight-fisted with economic aid and technological support for North Korea. In material exchanges, it now demands meticulous calculations and rationality on the part of North Korea. It is likely to move to shake off boldly the burdensome relationship with a parasite-type North Korea before long.

The overall crisis of the North Korean economy in the grip of "cumulative reproduction on a regressive scale" was, basically, caused by an internal factor—namely the factor that productive forces have been completely fettered by the theocratic regime, a pseudo-religious group, and that moreover the North Korean people have been deprived of the freedom to demonstrate their vitality, the fundamental strength of human life, in the intense competition of life, by the power holder dedicated to the demon of death. And it was an external factor that brought this overall crisis to the fore—i.e., the factor that the collapse of communism in the East European bloc nations and the Soviet Union led to the cut and disintegration of North Korea's external economic relations that had served as the prop for its regime.

The overall economic crisis cannot be overcome by the "introduction of foreign investment through a partial opening," the last resort of the present theocratic regime. An urgent prerequisite for putting the economy back to its normal track and enabling the population to live on is to normalize and revitalize reproduction relations in the basic goods sector through the recognition, development and expansion of market forces to liberate productivity. However, the theocratic regime, while fully aware of cracks expanding and deepening in the system of reproduction and of the disintegration of its power base as the consequence, is also believed to know that the internal reform and the opening-up through development of market forces could lead to its own downfall.

The ruling regime, seeking to maintain its system amid the overall economic crisis and searching for sources of hard currency to replenish its depleted foreign exchange holding, proclaimed the Foreign Investment Law and the related laws only to overseas interests, but not to the North Korean people publicly. The Foreign Investment Law thus announced is tantamount to a confession—made by covering up its true nature in a veil—that "we have come to love foreign investment, so please accept our love."

The theocratic regime is stupid enough to think that love is something that can be won by a mere declaration of love (i.e., that direct investment can be brought in by those laws). Apart from the present state of the economy, political stability comes as No. 1 prerequisite for foreign investors in considering direct investment. Is the current political system really stable under Kim Il-song's "supernatural power"? It appears that North Korea is sensing the imminent, violent fall of its system and a chaotic situation resulting from it. A violent end, sanguinary and chaotic, to the theocratic regime headed by Kim Il-song and Kim Chong-il is just ahead. It may come even next year. And it may touch off a grave regional conflict on the Korean Peninsula. If so, expecting a violent ending of the regime might be a thing not desirable. Should it be unavoidable, however, it will be necessary to map out contingency plans to minimize negative consequences. At any rate, there is absolutely no good news over the horizon for the socialist theocratic regime led by Kim Il-song and Kim Chong-il. All we hear is the bad news that the North Korean economy remains mired in the worst possible crisis on a sustained basis, showing only its miserable going.

Will foreign investment, normally guided only by calculations and rationality, really respond to the love call and set foot on North Korea, an "unknown land" that may one day be overridden by sanguinary violence and chaos, despite the enormous risk burden?

Footnote

1. See "Ideological Problems of a Divided Nation," by Hwang Song-mo, Seoul PUKHAN HAKPO [NORTH KOREA STUDY REPORT], No 13, 89 p 11.

ROK Media Experts Review DPRK's 1992

932C0066A Seoul PUKHAN in Korean Dec 92 pp 32-41

[A round-table discussion: "1992 Has Been a Difficult Year Indeed for North Korea"—by media's North Korea division chiefs: Ku Pon-hong, MBC; To Chun-ho, CHOSON ILBO; Chang Su-kun, SEOUL SINMUN; mediated by Ko Tae-u, PUKHAN chief editor; date and place not given]

[Text] We are having a tumultuous year-end indeed with events including the Kim Nak-chung spy case, the South Korea Labor Party espionage case, the 18 December presidential election, and the unilateral suspension of the dialogue by North Korea. PUKHAN journal has invited media's North Korea division chiefs to a round-table talk to look back on 1992 in North Korea and discuss its future. (Editor's note)

International, Economic Difficulties

[Mediator] How are you? It is a pleasure to have you, major media's North Korea division chiefs in charge of North Korea coverage, with me today to take a look at North Korea in 1992 and see if we can draw any lessons from it. You may call it a year-end round-table talk.

In fact, 1992 apparently has been a year of many difficulties for North Korea, internally and externally.

Externally, there was the collapse of the Soviet Union, the normalization of ROK-China diplomatic relations, the election of Bill Clinton to the U.S. presidency, and little progress in North Korea-Japan relations. Would you comment on those things first?

[To Chun-ho] It is nothing new that it has been a year full of difficulties for North Korea in the international arena. Such difficulties did not begin in 1992, though. They have been there ever since the collapse of the bipolar global order and deepening. It seems that North Korea worked to find a way out in two directions, first by exploring a way to extricate itself from the nonalignment-based foreign policy and escape to the West. For instance, it put emphasis on promoting closer relations with Italy, Taiwan and Thailand by inviting high officials from these countries in the so-called Southern diplomacy. Next, internally, it focused on domestic control to ward off ideological wavering in what appeared to have something to do with the father-to-son hereditary succession. In my view, that effort was basically successful. The aim was to overcome the economic difficulty through indoctrination in the chuche ideology, I suppose.

[Chang Su-kun] I think that North Korea was deeply concerned over the U.S. presidential election. It was because President Bush, while playing a leading role in ending the Cold War order, pursued a markedly hard-line policy against North Korea over human rights and the nuclear weapons issue. Therefore, it must at heart wanted Bush to lose. Anyway, Bush lost and Clinton was elected, although I am not sure whether that was exactly what it wanted to see. Meanwhile, it looks like there is another situation developing against the wishes of North Korea. As [Clinton] indicated in his telephone conversation with President No Tae-u on 13 November, the focus of the U.S. policy on the Korean Peninsula will continue to be the nuclear issue. He showed a firm resolve to closely cooperate and work together with the ROK Government for a solution, didn't he? Next, let me point out that the Democratic administrations have traditionally shown as strong interests in the human rights issue as in the nuclear issue. This will inevitably put a big pressure on North Korea. But Pyongyang will not abandon its ongoing effort for better relations with the United States.

[Ku Pon-hong] In fact, it appeared that North Korea, in its so-called Southern policy, attempted to change the course of foreign policy in the period from the collapse of the Soviet Union to the ROK-China normalization. While we achieved the normalization with the Soviet Union and China respectively, North Korea failed to improve its relations with the United States and Japan on account of the nuclear issue, a stumbling block. It was under pressure to get the issue resolved. Hence, the Southern diplomacy as an expression of its policy effort to clear the way to that end, I think.

With regard to the relationship between the birth of a new U.S. Administration and North Korea, my view is a little different from Mr. Chang's. North Korea, in my view, knew that whoever became the president, there would be no change in the U.S. policy toward North Korea. North Korea's dilemma is likely to continue. Consequently, to find a way out, it is expected to carry on the Southern diplomacy.

Expecting N. Korea to Change Is Going to the Tree for a Fish

[Mediator] Summing up comments of you three, we may say that despite international change, North Korea still finds itself in a tight corner unable to find a way out. Has there been no internal change responding to the international change?

[To Chun-ho] Media have been watching North Korea for any change in the wake of the ROK-China normalization. So far, there seems to have been no change, however. Needless to say, the normalization no doubt dealt a blow to Pyongyang. Basically, though, it appears that there has been no change in the cooperation between China and North Korea. We could see it in a statement of the first Chinese ambassador who recently arrived in Seoul, putting greater emphasis in its context on China's unchanging friendship with North Korea than on strengthening ties with our country. Personally, I saw in that statement a high possibility of China playing the sponsor role for North Korea in the international arena. In my view, the sponsor role in this case is to help North Korea find a way for Kim Chong-il to make his debut in the international stage, for which North Korea is taking great pains now. What I mean is that perhaps there is the possibility of China moving to respond to Pyongyang's wishes and act on its behalf one way or another. In July this year, a meeting of nonaligned nations held in July in Jakarta, Indonesia, first sent the invitation to Kim Il-song; when he declined it for the reason of health, the meeting invited Kim Chong-il in his place. Then, Pyongyang demanded treatment for him as chief of state. The request was turned down for the reason that he had no official title as such. At any rate, in respect to the ROK-China normalization, I somehow feel that maybe its practical significance was not as great as claimed by our government.

[Ku Bon-hong] I agree with Mr. To. China indeed established diplomatic relations with our country but has not renounced socialism. North Korea hasn't either. In that state, they are bringing in capitalism. You can say it is an abnormal situation. China still maintains the treaty of friendship with North Korea, although the deletion of the military provisions in it plunged North Korea into a dilemma. China and North Korea are, ideologically, the same type of states. Also, China is North Korea's only ally. Pyongyang is in no position to cut relations with China. I personally think that North Korea will possibly copy Chinese policies. In other words, I don't think that there will be a complete transfer of power before Kim Il-song dies. As you know, Deng Xiaoping is still in control of the struggle between the conservatives (ideology) and the new forces (reform). North Korea, too, will probably take the course of promoting new forces led by Kim Chong-il to replace the conservatives. So, I think that the father-to-son succession can hardly be completed before Kim Il-song's death.

[Chang Su-kun] The ROK-China normalization evidently was a shocking development to North Korea. But, as Mr To said, it is not likely that there will be an alienation or impairment of relations between China and North Korea. Kim Il-song sent his customary message greeting the 47th anniversary of the founding of the Chinese Government on 1 October. The focus of our concern at the time was the fact that the phrase "blood-cemented alliance"—which had been used customarily to describe North Korea-China relations—was missing from the message. Some observers viewed it as perhaps reflecting Kim Il-song's uncomfortable state of mind. However, the phrase in question reappeared in the congratulatory cable sent 11 days later by the Central Committee of the North Korean party to the CPC congress. Judging from this, it seems that North Korea cannot afford to break with China although it is indeed in a state of international isolation.

[Ku Pon-hong] As you said, Mr Chang, while there can be no change in its relations with China, we can expect change similar to that made by China.

Everything for Completion of Power Succession

[Mediator] So, we may conclude that despite international change, North Korea persists in "our way of socialism." In this connection, I think that the succession of power, namely the retention of the regime, is the reason for which it keeps wavering in the face of the inevitable—reform and the opening. It appears that North Korea took a step forward in the hereditary succession issue this year.

[To Chun-ho] Yes, it did. Combined with other factors, it is making Pyongyang hesitant with reform and the opening. The general view is that things will get even more difficult as the situations surrounding North Korea grow further complicated. Included in Clinton's campaign pledges was a solution to the Chinese human rights issue; if this should lead to the heightening of tension, there would definitely be an impact on the Korean Peninsula. Also, in Japan, the ultra-rightist opinion calling for Japan's rearming or opposing the reunification of the Korean Peninsula is gaining strength. This would prompt North Korea to further strengthen Kim Chong-il's position. This year he became the supreme commander, then a marshal of the army. According to their propaganda, he is also in control of the reunification program. Therefore, judging from the inherent nature of political power, the primary issue is not his official title but the building of a power base on which he can establish full control for himself. So, as Mr Ku pointed out, the father-to-son succession is unlikely to be completed before Kim Il-song's death.

[Chang Su-kun] I agree. To bring the succession process to completion, there has to be the transfer of power, including the presidency and the general secretary post of the party, which is yet to be carried out. Foreign Minister Kim Yong-nam told our reporters during his recent visit to the United States that Kim Chong-il is playing the leadership role in the party, military, foreign policy and all other areas. His remark confirmed that practically he is in control of state affairs in every aspect. However, I still agree that the formal completion of the succession process will come only after Kim Il-song's death.

[Ku Pon-hong] There is another factor delaying the succession. It has something to do with the issue of reform and the opening, I think. Reform and the opening are the global trends and, realistically, Pyongyang cannot ignore them. Its hesitation, I feel, comes from fears for ideological vacillations among the people, and from internal political reasons. Therefore, for the consummation of the hereditary succession, they probably see the need for ideological unity, namely the arming of the people with the chuche ideology and the revolutionary tradition. To prove it, recent articles and speeches attributed to Kim Chong-il reflect his consciousness of ideological oscillations among youths.

[Mediator] In that connection, how about we take up the so-called Kim Il-song's memoir, "Together with the Century"?

Meaning of the Publication

[Ku Pon-hong] So far, the first two volumes of it have been put out. More than 10 volumes are yet to come out, they say. Judging from the volumes already published, the entire works will be more voluminous than "The Complete History of Korea." Eventually, it may be comparable to about 50 volumes of the latter. A characteristic feature of the book, I should say, is that it is written in the first person. Earlier books about him were all written in the third person, and by subordinates, dramatizing his life. With this book, the message seems to be that he is writing it in person and that the people should therefore believe it. In other words, it demonstrates Pyongyang's emphasis on the ideological arming of the people.

[Chang Su-kun] I agree. His motive in writing it must have been idolizing himself by emphasizing the chuche ideology—which he sees as important as his life—and the victory of his anti-Japanese struggle. The 360-page first volume covers history up to age 21. So, the entire works will come to about 5,000 pages, I suppose. According to a series by Ho Tong-chan carried in our paper, SEOUL SINMUN, the published volumes contain so many fabrications. In particular, the book moved down his date of birth by two years. There is the testimony that Im Chun-chu, originally a Chinese who was a classmate of Kim Il-song's at Yuwen Middle School in Jilin Province, China, was two years younger.

[To Chun-ho] I see it this way. Basically, the logic used to justify the hereditary succession—and to convince the North Korean people on that basis—is that [Kim Chong-il] has further expanded and developed the chuche ideology and inherited it. Therefore, the "Together with the Century" publication may in part means the summing up of the author's life. But more importantly, with the aim of strengthening the leadership of the successor, the upcoming volumes are likely to further spotlight and glorify Kim Chong-il. Such political motives would inevitably make the writing deliberate and artificial.

[Chang Su-kun] Also, the North Korean society is not prepared to criticize it either.

Why the Unity-between-Army-and-People Movement Now?

[Mediator] Among major activities in North Korea these days is the Unity-between-the-Army-and-the-People Movement. It also may perhaps have something to do with the succession issue.

[Chang Su-kun] I think so. In fact, the group that has the greatest possible influence on the hereditary succession system is the military, isn't it? A look at Kim Chong-il's recent movements would indicate that he is frequently accompanied by Minister of People's Armed Forces O Chin-u. Also, schools, cooperative farms, factories and enterprises are rapidly expanding activities involving military units, including gift exchanges, mutual visits, and performances to entertain servicemen.

[To Chun-ho] There is no doubt that the movement is part of the campaign to strengthen the hereditary succession system. In fact, in the past, Kim Chong-il paid greater attention to the people than to the military, but now that he became the supreme commander and a marshal of the Army, he has reached the point to take over the reins of the military completely. What is left for him to do in that respect is to promote the linkage between the people and the army. In other words, the movement apparently appears to be an attempt to bring the "We are one" proposition to mean that "We are one for Kim Chong-il."

[Ku Pon-hong] An analysis of reports on this movement indicates that the movement is an effort to overcome differences in the perception of realities between the first generation of revolution and the new generations. There must be a great deal of discontent such as grievances among men in lower echelons and complaints about food and a prolonged service. Even raids on private homes by servicemen were reported many times. All these troubles are in part attributed to the growing discord between the military and the nonmilitary. The disharmony will obviously be an impediment to the succession process. It was for that type of reason that the movement was launched, I believe.

[Mediator] How should we view the currency reform carried out this year?

[Chang Su-kun] There was a report from a Yanji source on a mob disturbance touched off by grievances about the exchange with the new currency. Some say that even military units were mobilized to quell it. Although we cannot confirm the story, it reflects discontent about the Kim Il-song leadership. At any rate, the most important purpose of the currency reform was, in my view, the recovery of fund that had been hoarded by people. It was said that the amount of currency thus hoarded was more than that deposited in the banks.

Currency Reform a Sort of Ideological Test

[To Chun-ho] I am not ready to see it in the economic light. Recently, I talked with a person familiar with developments in North Korea. He said that it was more for sorting out impure elements. According to him, in a normal case of currency reform the exchange is never at a 1-to-1 ratio. If it were for stabilizing the currency value, there would have been a devaluation, say, at the ratio of 5 to 1 or 10 to 1 or whatever. But that was not the case, he said. Increase in the individual savings means growth of individualism. What he said is apparently true. For instance, those with lots of money could afford color television, and the reform showed a strong official intent to deal with complaints and social disharmony caused by it. Hence, the reform to find out who should be put under surveillance. According to him, those who got wind of the plot even dumped their money in the sea. My conclusion is that the currency reform was one of the methods they employed to preserve the present system.

[Ku Pon-hong] Their aim was to remove the cause of discontent through redistribution of wealth, I suppose.

[Mediator] We may conclude that the only way for them is to preserve the present system. (Attendants are unanimous in saying "It surely is the problem facing them"—and laugh.)

Prospects of Relations Not Optimistic

[Mediator] Then, we should approach to the issue of North-South relations from that standpoint, shouldn't we?

[To Chun-ho] I feel that while basically North Korea is more to blame for problems about the North-South talks, our side should also reexamine itself on a number of points. First, we are wrong with our perception of facts about North Korea. What I mean is that the way we look at North Korea is based on optimism such as that it will soon come to terms or that it will soon come down. The reason I say so is this: With regard to accords at the Prime Ministers Talks or the documents thereof, for instance, if they were to be implemented, there should have been mutual trust built first between the two sides. In fact, that was not the situation we were in when the talks were launched. In that environment, North Korea has continued to make use of South Korea. Also, they still believe that their system is superior to ours.

Nevertheless, we carry on an easygoing attitude, saying: "Now that the Soviet Union has collapsed and China is also changing, what in the world can North Korea do? Proceeding from that sort of optimism, we thought that once the document of agreement was signed, all would go well. Things didn't work out that way, did they? In other words, we have no principle. We need to show a firm position. This means that there were problems with our basic principle and strategy. One more thing: The North-South issue is a difficult issue the solving of which demanding the concentration of the wisdom of the people on a nationwide scale. However, the fact was that it has been, as we worried, worked on only by a handful of people.

[Ku Pon-hong] I agree. While the entire course of the North-South dialogue reflects the government's basic strategy on reunification and its North Korea policies, I feel from the strategy and policies that the government thinks that reunification can be achieved within a short period of time, say 5 or 10 years, and that it apparently set a time limit and is in a haste for it. As Mr To said, it may be that the government set out with optimism while it knew too little about North Korea.

North Korea has been consistent with its policy for more than four decades. There has been almost no change even in the lineup of personnel showing up at the North-South talks. On the other hand, we kept changing. At the same time, we kept expecting that as the international situation changes, North Korea will also change.

Needless to say, we achieved a great deal in the North-South relations. All the agreements that were reached represent a great success. The only thing left is their implementation.

[To Chun-ho] The fact that the relations came to a brief halt because of the Northeast Asian situation and the situation in our country was a case of a misfortune turned into a blessing, I think.

With regard to the German case, let me refer to an interview with Chancellor Kohl which we earlier carried in our paper, CHOSON ILBO. When asked what he had prepared first in unifying Germany, Kohl pointed to the Pershing missiles. He meant that while carrying on exchanges with East Germany, West Germany did not forget about a show of force. We should of course make efforts for confidence-building but, at the same time, must push with a clear-cut position and a firm principle of our own, I think.

[Ku Pon-hong] In my view, the nuclear weapons issue should be given priority. North Korea will never give up using its nuclear weapons program as a lever under any circumstances, be it dialogue or war. The reason: But for it, it has nothing to outstrip South Korea. In its propaganda, North Korea kept telling its people that the Team Spirit exercise was a nuclear war maneuver against North Korea. Its emphasis was on the nuclear issue. In fact, our side did not say it would carry out the Team Spirit exercise; it merely said it would consider the possibility of it. Nevertheless, North Korea showed a sensitive response, even issuing an order for combat readiness, among other things. Thus, if it is driven into a tight corner, experts say, it may attempt at touch off new provocations.

[Chang Su-kun] As far as the main trends are concerned, the trends toward an end to the era of distrust and confrontation that has lasted for 47 years, I see them as constructive and desirable. But it is also a fact that North Korea shows no change at all. A series of recent developments, including the South Korea Labor Party espionage case and the suspension of the dialogue under the pretext of the Team Spirit exercise, are the kind of things that unveil their true nature. North Korea apparently still persists in its old attitude, not seeing South Korea as the other party of dialogue but trying to make use of it. It has been revealed that Kim Chong-il views the North-South dialogue as a step to an accomplishment enhancing his image. Yet we have been in a hurry, perhaps because of an effort to quickly bring the Northern Policy to conclusion.

Pay Attention to North's Threat, Too

[Mediator] I think we should go on and discuss future problems.

[Chang Su-kun] It can be said that North-South relations are in a stalemate now. I don't think that the situation is in a total suspension, though. I say so because North Korea wants to improve its relations with the United States and Japan, knowing that for such improvement, the easing of tension between the North and the South is a prerequisite. Next, in order to come out of the present economic crisis, it has no alternative but attach importance to economic cooperation with us.

[To Chun-ho] But we must give our thought to the problem of threat from the North, too. Some may say that the international isolation and the deepening economic crisis make a threat of war unthinkable but, in my view, they don't really know the truth about North Korea. As you know, North Korea is a closed society totally isolated form the outside world. That is why there is the possibility of provocation from it. It will of course be an act of digging its own grave if it should resort to it.

[Ku Pon-hong] I believe that we should change our view of North Korea. In the eyes of outsiders, North Korea is indeed in trouble. But the question is if the North Korean people themselves think they are. Since they live in a closed society and free of stimuli from the outside world, there are obviously less chances of dissension, I suppose. Therefore, it is possible that they will readily resort to provocations if only they have the will to do so.

[Chang Su-kun] I agree. We recall that they perpetrated acts of provocation in the past while continuing dialogue. In fact, in connection with our upcoming presidential election, they issued as many as 31 pieces of slogans against the Democratic Liberal Party. It seems that we need to give thoughts to the possibility of their perpetrating limited provocations and terrorist activities against candidates while we are preoccupied with the presidential election.

(The attendants unanimously said that the threat of provocation should be given serious consideration.)

[Moderator] Thank you very much for being with us today.

South Korea

TV Carries President Kim's Inaugural Address

SK2502023893 Seoul KBS-1 Television Network in Korean 0112 GMT 25 Feb 93

[Speech by Kim Yong-sam, new president of the Republic of Korea at presidential inaugural ceremony held at the National Assembly Plaza in Yoido, Seoul, on 25 February—live]

[Text] Dear 70 million fellow countrymen at home and abroad, my predecessor presidents including President No Tae-u, and foreign and domestic guests attending here: Today we are gathered here in order to open the era of civilian rule and democracy which we have been ardently looking forward to. We have had to wait 30 years for this day. We have finally formed a government of and by the people on this land. The government, which is born today, came into being through the people's ardent aspirations for democracy and through their noble sacrifice. Today I am full of deep emotion in front of this National Assembly building in which my own passion for democracy and authority permeated.

Our people are indeed great. I extend my deep thanks and honor to all of the people. [applause] I also pay high tribute to the many people who made noble sacrifices and who regrettably passed away in the arduous course of achieving democracy without being able to witness today's achievements. Fellow countrymen: On the occasion of assuming the 14th presidency, I am keenly aware of the missions assigned to me by the demands of the time for building a new fatherland. Today in this land, spring is welling, vibrant with life, from the depths of the earth.

Our nation had a summer during which we enjoyed prosperity and a winter during which we were huddled up with cold in the past. However, a new spring of national prosperity is coming now. [applause] We are now dictated to make a new decision and a new start. [applause] I have cherished deep in my heart the dream of creating a new Korea. A new Korea is a more free and mature democratic society. It is a society where justice flows like a river. It is a community where all people lead an affluent life equally. It is also the country where people's cultural life and human dignity are respected. It is a reunified fatherland where the divided nation is united into one and lives peacefully. [applause]

The new Korea is a country which contributes to world peace and the progress of mankind, standing at the center of new civilization with dignity. It is a society where everyone can work and live cheerfully and hopefully. It is a country where our descendants can take pride in being born. These is precisely a new Korea. [applause] Let all of us have this dream.

We are the nation which has created a miracle from the devasted land of colonialism and war. Let all of us vigorously make a great leap toward the world again. [applause] Dear fellow countrymen: However, the situation surrounding us today is by no means favorable to us. In the wake of the end of the era of the cold war, enemy and comrade are being reversed. We have entered an era of the economic war and an era of the war of technology. If we fail to properly cope with the rapidly changing world, we will have to stay on at the brink of advancing toward becoming an advanced country. If we fail to leap forward in the economy we will be destined to fall behind. [applause] This is a serious matter of our national survival. We must temper our physical strength so that we can run toward building a new Korea.

However, we are now ill. We are now suffering from the Korean disease. Our diligent and creative spirit which had been the object of world envy is disappearing. Our society is being shaken because of people's inverted sense of value. Our people have lost self-confidence. Herein lies our problem. Our crisis, if any, does not come from an outside challenge. But, it comes from our people's mental defeatism which is spreading in our society. We cannot go under such a situation facing us today. We should be renewed, and we must undergo change.

We must open an era of courage and hope by overcoming frustration and stalemate. We must change from an era of closing and rigidity to an era of opening up and vitality, from an era of conflict and confrontation to an era of dialogue and compromise. We must change from a society of distrust to a society of trust and from a society where egoism is trampant to a society where all people live, helping with each other. This is precisely the direction of change and reform that I have mentioned. We must change not only our institution, but also our consciousness and behavior pattern.

If we avoid change and reform, history will abandon us. My dear fellow countrymen: Reform should begin with the practice of the following three tasks: the first task is to eradicate corruption [applause], the second task is to revive the economy [applause], and the third is to rectify the discipline of the state. [applause]

Corruption in our society is the dreadful enemy that destroys the country little by little from within. There will be no sanctuary in eradicating corruption. I will certainly make away with any sanctuary. [applause] We should be resolute in cutting what needs cutting and in scraping out what needs scraping out. The reform at the upper echelon will soon begin. However, corruption will not be eradicated without the efforts of all the people to become clean. The realization of clean society can only be completed by you, the people.

Next we should restore the vitality of the economy. For this the government will guarantee self-discipline and competition instead of regulating and protecting. We will respect the creativity of the people at large. The government will be the first to practice thrift. The people should save more and increase their savings. Luxury and extravagance should be banished. The enterprises should win in international competition with bold technological innovations. The government, the people, the workers, and the enterprises should all work vigorously and cheerfully and full of hope to revitalize the economy. This is the new economy I advocate.

My dear fellow countrymen: We should reestablish the discipline of the state, which is falling apart. When power comes into being by fraudulent means, the legitimacy of the state is infringed upon and law and order collapses. The expedient policy of ignoring procedure to achieve the purpose becomes rampant. There will be no political dark age in this land again. [applause]

Our society should restore the authority it should have. [applause] Our freedom should be the freedom for the community. As Mr. Paek Pom said, freedom should be that for planting flower trees in the park rather than that for breaking them. We should restore the crumbling morality. In this respect, education today should be the education to foster humanity to bring up people befitting their name, democratic citizens, as well as the education to enhance science and technology to prepare for the future. This is the new education which I advocate. [applause]

My fellow countrymen: The government will change from today onwards. [applause] Chongwadae [presidential residence] will now be the place where I will work, day and night, to protect the life and property of the people and to achieve national stability and prosperity. [applause] Chongwadae will be the very friendly neighbor of fellow countrymen. I will be with the people on the spot where the fellow countrymen work and where they undergo pleasure and sufferings. I will share in the pleasure and sufferings of the people. This is because pleasure is doubled when shared and sufferings are lessened when shared.

Politics also should be changed. Politics should not be politics for politics' sake but politics which cares for the life of the people and brings hope and happiness to the people. Politics should relieve people of their burdens and pay attention to even the low voice of the people. Only when the government and politics are changed in this way can real stability through change and reform take root in this land. [applause]

My fellow countrymen: Let us widely open the new era through justice and harmony. In the past, we were torn into pieces because of disparities between classes, regions, generations, and ideologies. We should pull down the barrier between ourselves. A deep-seated grudge should be ended. There are too many people who have been living unhappy lives in our society. We should comfort them. The haves should make greater concessions to the have-nots. [applause] Those who have power should make a much greater concession to those who don't. [applause]

However, let us not abruptly make calls only in our own interests. Let us give priority to the politics of our community. Let us make more efforts to take a larger interest. My 70 million fellow countrymen at home and abroad: By discharging the duty and mission given me by history and the nation, I will make all efforts to achieve national harmony and reunification. However, what is necessary at this point of time is not a sentimental theory of reunification but the national consensus for reunification.

I am telling President Kim Il-song that we should take the attitude of sincerely cooperating with each other. The world is moving toward an era of peace and cooperation, not toward confrontation. Various cooperation is promoted among different nations and states. However, no allied country can be greater than one nation. No ideology or imagination can bring greater happiness than the nation can. If President Kim Il-song sincerely attaches more importance to the nation and wants genuine reconciliation and unity of fellow countrymen in the North and the South, we can meet with each other at any time and any place to discuss this. We can meet at the foot of Mt. Halla on a warm spiring day or we can meet near the crater of Mt. Peaktu on a summer day. Let us open-mindedly discuss the future of the nation. Only then can we resolve all issues from a starting point based on one nation.

Dear five million fellow countrymen who maintain the nation's dignity while living overseas at the four corners of the world: Within this century, the nation will be reunified so that our homeland will become a land of freedom and peace. Let's all gather strength at home and abroad so that we can open a responsible, role-fulfilling, proud Korea to this world. [applause] Dear fellow countrymen: The creation of a new Korea will not be achieved by someone else. All of us are creating a new Korea.

Many people of a new Korea—workers working earnestly; farmers increasing income by creating new crops; students studying arduously; scientists absorbed in research; businessmen on the move to pioneer new markets; businessmen of small and medium-sized businesses successfully developing new products; and soldiers defending the country all night long—are gathered here today. Also present are civil servants who silently serve the people. These people, doing their utmost in each of their fields, are truly the leaders and masters in the creation of a new Korea.

Youth of this land, especially, look to the world and the future. Let's move from being a spectator to a participant; from criticism to creativity. The future is yours, and so is a new Korea. [applause] Dear fellow countrymen: Let's all dream and hope for the future. Let's create a new Korea. The creation of a new Korea cannot be achieved by a president alone or solely by the strength of a government. There is no you or me on the road to creating a new Korea. There can only be us. We must achieve it.

However, a new Korea is not created overnight. The creation of a new Korea warrants perseverance and time. It requires tears and perspiration. [applause] It is attained following pain. Let's all share in the pain. [applause] We can create a new Korea! It has to be achieved without fail. Let's all start afresh armed with dreams and hopes. Let's all energetically strive forward with no one failing! [applause] Thank you. Thank you. [applause]

Kim To Announce Foreign Minister 26 Feb

SK2502042293 Seoul YONHAP in English 0322 GMT 25 Feb 93

[Text] Seoul, Feb. 25 (YONHAP)—President Kim Yong-sam will name his nominees for director of the Agency for National Security Planning and 24 cabinet members on Friday morning, after consulting with prime minister-designate Hwang In-song. Kong No-myong, chancellor of the institute of Foreign Affairs and National Security, and ambassador to Britain Yi Hong-ku are the leading candidates for NSP director. Former finance ministers Kang Kyong-sik and Sakong Il and former Rep. Hwang Pyong-tae are short-listed for the deputy prime minister's slot that heads the Economic Planning Board. Reps. Kim Yun-hwan and Yi Han-tong, professors Yi Sang-u of Sogang University and Yi Ki-tak of Yonsei University are front-runners for unification minister, also a deputy prime minister post.

The foreign minister is sure to be Kong if he isn't tapped to head the intelligence agency, but Ambassador to Germany Sin Tong-won and Ambassador to China No Chae-won are hinted for the post. Rep. Kim Yong-ku, secretary-general of the ruling Democratic Liberal Party (DLP), or Rep. Kim Yong-tae, DLP floor leader, could be home minister, political analysts say, adding that vice home minister Choe In-ki, a native of South Cholla Province, also has a good shot at the job. Yi Hyong-ku, president of the Korea Development Bank, Rep. So Sang-mok and former Rep. Han Sung-su are candidates for finance minister, and DLP spokesman Rep. Pak Hui-tae is the indisputable choice for justice minister.

The defense minister will be a retired general—Pak Hui-to, a former Army chief of staff, Chong Ho-kun, a former chairman of the joint chiefs of staff, or Ko Myong-sung, a former commander of the Defense Security Command. Professor Han Wan-sang of Seoul National University, President Hyon Sung-il of Kukmin University and Pak Yong-sik, president of Yonsei University, are spoken of as future education minister. Either Han or former Rep. Nam Chae-hui will lead the Culture and Sports Ministry, and the Agriculture, Forestry and Fisheries Minister will come under the grip of Rep. Yang Chang-sik or Han Ho- son, head of the National Agricultural Cooperative Federation, sources say.

Kim Chol-su, president of the Korea Trade Promotion Corp., Kim Sun-hong, chairman of KIA Motors Corp., and former Rep. Han Sung-su are candidates for trade and industry minister, who will take over the energy and resources portfolio. Rep. Yi Myong-pak, Vice Construction Minister Yi Sang-yong and Kim Chae-ki, head of the Korea Housing Bank, are hopefuls as construction minister and Rep. Chu Yang-cha is a likely pick for health and social affairs minister. Reps. Kim Yong-ku and Kim Chung-wi, former Rep. Yu Kyong-hyon and O In-hwan, a former aide to President Kim, are to lead the labor, transportation, communications and environment ministries, respectively.

Choe Chang-yun, a former chief secretary of the DLP executive chairman, Kim Chong-pil, is the most promising candidate for government administration minister. Professor Yi Myon-u of Seoul National University or former Rep. Cho Kyong-mok is expected to become science and technology minister and the information minister will be former Rep. Nam Chae-hui, Rep. Kang In-sop or O In-hwan. Rep. Kim Tok-ryong is almost fixed as first state minister for political affairs and lawyer Hwang San-sung and professor Yi In-ho of Seoul National University are competing to become second state minister.

Kim will give his cabinet members their credentials on Friday and preside over the first cabinet meeting on Saturday. He will name vice minister-level officials on Saturday at the earliest.

Assembly Confirms Prime Minister

SK2502095093 Seoul YONHAP in English 0720 GMT 25 Feb 93

[Text] Seoul, Feb. 25 (YONHAP)—The National Assembly confirmed the appointments of Hwang In-song as prime minister, Yi Hoi-chang as chairman of the Board of Audit and Inspection [BAI] and Chon Kyong-song as a justice of the Supreme Court on Thursday. In a session boycotted by all 95 members of the main opposition Democratic Party, the assembly approved Hwang's appointment with a vote of 193 for and five against. With 193 lawmakers voting, the 299-seat unicameral legislature approved Yi's appointment as the nation's top auditor in a vote of 188 for, four against and one abstention and confirmed Chon with 189 for, three against and one abstention. A bill requesting parliamentary approval of the three officials represented Kim Yong-sam's first official duty as president on inauguration day.

At Chongwadae, President Kim handed his credentials to BAI chairman Yi in the afternoon before going into consultations with prime minister Hwang on the selection of a cabinet. The Democratic Party refused to attend the National Assembly and Kim's inauguration over a dispute involving Kim Yong-sam's campaign remarks that charged Kim Tae-chung and the Democratic Party were sympathetic to communism. The DP demanded an official apology from Kim Yong-sam and the ruling party.

The assembly is expected to approve the appointments of the director of the Agency for National Security Planning and cabinet members Friday. After Hwang, Yi and other members of the cabinet are formally introduced to lawmakers on Saturday, the National Assembly will accept the resignations of reps. Chong Chu-yong, former leader of the United People's Party, Pak Kwan-yong, the new chief presidential secretary, and Kim Yong-su, who was appointed senior presidential secretary for petitions and information. The assembly then will adjourn the 60th extraordinary session.

Kim Contemplates Restructuring NSP

SK2002021293 Seoul CHUNGANG ILBO in Korean 19 Feb 93 p 1

[Text] The Agency for National Security Planning [NSP] has been allowed to permanently station agents with free access at the central administration ministries, first-line agencies and organizations, and schools. President-elect Kim Yong-sam plans to eliminate this practice so that the NSP can devote itself to its intrinsic role of a genuine intelligence agency. President-elect Kim Yong-sam plans to push ahead with the restructuring of NSP activities and organizations after handing over a draft proposal to improve NSP activities, which was worked out by his key close aid on 19 February, to a new NSP director, whom he will appoint soon.

After preparing a draft proposal for restructuring the Defense Security Command [DSC] role and organizations, including a ban on DSC civilian surveillance activities, President-elect Kim Yong-sam, upon receiving a report on the draft proposal for restructuring the NSP from his high-ranking close aid, stressed that the NSP should be reorganized as a genuine intelligence-gathering agency after correcting controversial problems generated by powerful agencies like the NSP. The proposal highlights the ban of local political surveillance; total prohibition of the free access by NSP agents to administration organizations; restriction of NSP rights to investigate and remand suspects; and restriction of the use of agent identification cards.

President-elect Kim Yong-sam's high-ranking close aid noted: "The NSP has even sent resident agents to the units of city, county, and ward. It has had these agents engage in excessive surveillance activities. He added: "We will not tolerate any undesirable practices, including the free access by NSP agents to administration and civilian organizations, their arbitrary exercise of power, and their intervention in civil petitions. The high-ranking close aid said: "In view of the nature of NSP business, however, we will keep the operation of NSP regional chapters intact but eliminate only the practices of agent access to such organizations. This official said: "If the NSP only investigates suspects of espionage and political offenses and then sends them to the prosecution and police for official investigations, arguments over suppression of civilian human rights will cease."

The relevant officials said they are also reviewing procedures for agents leaving their identification cards in headquarters' custody in order to prevent the slightest possibility of irregularity or power abuse by NSP agents. The high-ranking said: "Some foreign countries' intelligence agencies do not allow their agents to carry their identification cards out of their headquarters."

Democratic Party Boycotts Ceremony

SK2502031493 Seoul YONHAP in English 0206 GMT 25 Feb 93

[Text] Seoul, Feb. 25 (YONHAP)—The main opposition Democratic Party [DP] boycotted Kim Yong-sam's presidential inauguration Thursday because of dissatisfaction with the Democratic Liberal Party's [DLP] apology for election campaign charges that it was sympathetic to communism. It also absented itself from a National Assembly session following the inaugural ceremony to confirm Kim's nominees for prime minister and chief justice. On Tuesday, floor leaders of the two parties agreed to settle the dispute with DLP Executive Chairman Kim Chong-pil's public apology at a press conference on Wednesday.

The DP told the DLP then that it would attend the inauguration and confirmation hearings for the prime minister and chairman of the Board of Audit and Inspection. On Wednesday, Kim told a news conference that his party never meant to harm the DP and its presidential candidate Kim Tae-chung by saying it was soft on communism. He regretted that remarks that "could cause misunderstanding" were made under the "specific situation" of the election.

The DP Supreme Council met late Tuesday and decided to boycott the inauguration and the plenary National Assembly session because Kim's regrets didn't meet their expectations. A DP official charged that the DLP had broken its word because Kim didn't read their four-point agreement verbatim and said his party was being generous in accepting an apology from him instead of President Kim Yong-sam. The DLP should be held responsible for the DP decision, he said. The DLP instructed its 700 local council members who came to Seoul for the inauguration not to attend. It notified DP lawmakers of the decision by the leadership and cancelled a lawmakers meeting slated for early Thursday.

CIA Director's Comments on DPRK Reported

SK2502022293 Seoul YONHAP in English 0153 GMT 25 Feb 93

[Text] Washington, Feb. 24 (YONHAP)—North Korea has enough fissionable material to produce one nuclear weapon and is hiding it from the International Atomic Energy Agency (IAEA), Central Intelligence Agency (CIA) Director James Woolsey said Wednesday. The CIA believed that the two nuclear reactors in the Yongbyon complex that North Korea insists are nuclear power stations are really plutonium manufacturing facilities, Woolsey told a senate hearing.

North Korea's nuclear program was "our most grave current concern," Woolsey said, comparing Pyongyang with other suspected countries who show activities in only one particular field. Pyongyang, unlike them, was engaged in various suspicious activities like refusing nuclear inspections, owning a highly developed nuclear complex, developing a 1,000km-range missile and selling arms, the intelligence chief said. North Korea refused the inspections because it had something to hide, he said. Of more than 25 countries that may have nuclear weapons or are in the process, North Korea is of most concern to Washington, he said.

IAEA inspections would deter North Korea's nuclear program, but Washington feared that Pyongyang would attempt to develop smaller weapons in another place of hiding, Woolsey told the committee. North Korea was developing other weapons of mass destruction as well and was a major arms supplier to export-controlled nations like Syria, the CIA director said.

DPRK Said to Order Death for Antique Smuggling

SK2502001193 Seoul YONHAP in English 2359 GMT 24 Feb 93

[Text] Beijing, Feb. 25 (YONHAP)—North Korea has ordered the death penalty for smuggling antiques out of the country, a Western source here said Wednesday. The expert in North Korean affairs said that the government in Pyongyang seemed to be annoyed at the South Korean news media's reports on the sale of antiques in China that had been smuggled out of the country.

Clinton Sends Letter to Premier on Summit Talks

SK2502030493 Seoul YONHAP in English 0201 GMT 25 Feb 93

[Text] Seoul, Feb. 25 (YONHAP)—U.S. President Bill Clinton has sent a personal letter to South Korean President Kim Yong-sam proposing a summit at an early date, a government official said Thursday. The letter, containing a congratulatory message and the proposal, will be delivered by Rep. Gary Ackerman, chairman of the House Subcommittee on Asian and Pacific Affairs, who is in Seoul for Kim's inauguration, the official said. "There have been unofficial talks of a summit," he said. "We will settle on the time and other details through diplomatic channels after we receive a formal proposal." Ackerman is expected to deliver the letter to Kim at an inaugural reception in the afternoon.

U.S. Dumping Charge Said Based on Freight Mistake

SK2502023793 Seoul YONHAP in English 0225 GMT 25 Feb 93

[Text] Seoul, Feb. 25 (YONHAP)—South Korean hot-rolled sheet was saddled with anti-dumping charges of 30 percent in a U.S. preliminary ruling last month due to a miscalculation of freight rates by the U.S. Administration, the Korea Iron and Steel Association (KOSA) and the Pohang Iron and Steel Co. (Posco) said Thursday.

Donald Cameron, a lawyer retained by KOSA, had found that the Commerce Department had added shipping and carriage charges twice in its price investigation of Korean hot-rolled sheet and so had produced dumping margins between 7 percentage points and 8 points higher than they actually were, they said. Cameron applied for correction early this month, but the Commerce Department ignored the request, they said.

Washington should revise and announce its changed preliminary ruling immediately in the official gazette if dumping rates were miscalculated by more than 5 points. As a result of the double calculation, the settled export price (final export price minus freight charges and other expenses) is lower and consequently widens the margin between the settled home price, or the dumping margin.

Washington raised provisional anti-dumping tariffs between 0.03 percent and 109.22 percent on carbon steel imports from 19 countries at its preliminary finding on Jan. 27. It concluded a 30 percent-duty on Korean hot-rolled sheet exports, 12.73 percent on cold-rolled sheet, 3.28 percent on galvanized sheet, and 4.72 percent on carbon plate for underpricing on the U.S. market. The final determination on Korean exports is scheduled for early June.

Posco, Korea's sole exporter of hot-rolled sheet, says it has completely lost competitiveness due to the 30-percent tariff and countervailing duties of 5.51 percent charged by Washington on Dec. 5 for government subsidies. Posco had since deposited cash or bonds equal to punitive customs of 35 percent. It is said to have stopped hot-rolled exports to the United States and supplies to U.S. Posco (UPI), a California-based joint venture between Posco and U.S. Steel, through which Posco exported 90 percent of its hot-rolled shipments to the country. Posco's hot-rolled sheet exports to the United States totaled 900,000 tons and 250 million U.S. dollars last year. Cameron has been in Korea since Tuesday to oversee preparations for the on-the-spot investigation by Korean companies charged with dumping and countervailing duties with other local lawyers.

PRC Pilots To Train With ROK's Asiana Airlines

SK2502050393 Seoul YONHAP in English 0236 GMT 25 Feb 93

[Text] Seoul, Feb. 25 (YONHAP)—Eight Chinese pilots are to spend 15 days on a course at the Asiana Airlines flight training center in Seoul next month, an airline spokesman said Thursday. The eight, who will be the first Chinese pilots to study flying in South Korea, include six from the domestic Xinhua Airlines and two of them are instructors. They are to arrive March 14 and spend 15 days at Asiana's training center in Magok-tong, Kangso-ku, Seoul. The course includes 120 hours on a

B-737 simulator, which China does not have, and will cost 39,000 U.S. dollars, the spokesman said.

Hyundai Passes Initial PRC Dam Bid Test

SK2502080193 Seoul YONHAP in English 0712 GMT 25 Feb 93

[Text] Seoul, Feb. 25 (YONHAP)—Hyundai Engineering and Construction Co. passed Monday the preliminary qualification of bidding eligibility in constructing a multiple purpose dam on the yellow river worth 1 billion U.S. dollars, a company spokesman said Thursday. Eight foreign companies passed the preliminary screening in the forms of joint-venture with Chinese counterparts, and the bidding will be in April. The yellow river water and hydroelectric power development corp., under the water Resources Ministry, is reponsible for the project. The dam is to be the largest in Asia at 1,317 meters long and 154 meters high. The yellow water corporation is to consider the experience and ability of the foreign companies, so Hyundai is likely to win the contract, the Hyundai spokesman said.

Georgia's Shevardnadze Seeks ROK Economic Ties

SK2502014793 Seoul KBS-1 Television Network in Korean 1200 GMT 93

[By correspondent Yi Chun-sam from Tbilisi]

[Text] In a special interview with the Korea Broadcasting System, Georgian President Shevardnadze said that with the inauguration of a new government, the ROK will have an opportunity to make new progress.

[Begin Shevardnadze recording in Georgian with Korean subtitles] I think that the ROK people have made an excellent choice. I hope that they will open an era of prosperity with President-elect Kim Yong-sam. [end recording]

Regarding economic cooperation with the ROK, Shevardnadze said that the two countries are about to sign contracts on cooperation in communications, oil refineries, and the chemical industry. He also said that he expects that ROK business companies will invest in various other fields.

In this week's edition, (HORIZON), an influential Georgian news weekly, carried a feature article on President-elect Kim Yong-sam. The article introduced President-elect Kim as a person who has a strong resolve and had his dream of becoming president come true after overcoming various twists and turns.

This newspaper also said: For Georgia to bring an end to the civil war in the country and overcome the resultant economic difficulties, the ROK can serve as an excellent example. It is necessary for Georgia to promote particular cooperation with the new ROK Government.

Ministry Criticized for Oil Stockpile Approval

SK2502025093 Seoul THE KOREA HERALD in English 25 Feb 93 p 3

[Text] The Environment Ministry is under heavy criticism for its secret approval of a government plan to build a massive petroleum stockpile facility within an area protected for a source of drinking water. The ministry said yesterday it gave the green light to the controversial plan developed by the Energy and Resource Ministry on Dec. 30, 1991, but has kept it under wraps so as not to offend the public. Ministry officials also said the action was taken after the Energy Ministry had promised to establish safeguards to prevent any accidents.

The Environment Ministry opposed the plan to stockpile up to 2.5 million barrels of petroleum in a 373,000-sq.-meter area in Ho-ri, Yongin-up, Yongin County, Kyonggi Province, in April 1991. The ministry had expressed concerns that building a massive petroleum storage facility there might contaminate the upper reaches of the Han River, which is the main source of drinking water for more than 10 million Seoul residents. The ministry had reaffirmed its stand in September that year.

Barely three months later, however, the ministry reversed itself and secretly endorsed the construction of the storage facility. The ministry defended its action by saying that the Energy Ministry promised to build the supply pipeline outside the water source protection area and to construct an additional storage facility adjacent to the main one in case of emergency.

Cho Pyong-hwan, a senior official at the Environment Ministry, told reporters yesterday the projected petroleum stockpiling base is 46km from the Paldang Dam. He said his ministry did not make public its approval of the storage project because of a wider contamination in Taegu around that time. Environmental protection organizations have already come out to criticize the Environment Ministry.

The Korea Petroleum Development Corp. under the umbrella of the Energy Ministry plans to kick off construction of the Yongin petroleum storage base sometime next year for dedication in 1996. Corporation officials acknowledged that the plan might face strong opposition from those living near the facility.

Research Institutes Develop New Car-Frame Alloy

SK2502093693 Seoul YONHAP in English 0654 GMT 25 Feb 93

[Text] Seoul, Feb. 25 (YONHAP)—Joint efforts by the Korea advanced Institute of Science and Technology (KAIST) and the Research Institute of Science and Technology (RIST) of Pohang Iron and Steel Co. (POSCO) have produced the world's first alloy for car bodies that is three times stronger than cold-rolled sheet but weighs two-third less without loss of plasticity. The new material, the brainchild of professor Kim Yong-kil of KAIST and Kim Tae-ung, a researcher at RIST, has top flexibility and weldability characteristics.

Their new material is an alloy of iron, manganese, aluminum and carbon christened PRK-90 (POSCO-RIST-KAIST), and it is likely to bring radical changes to carmaking, institute spokesmen said Thursday. PRK-90 is three times stronger than the 28-kilogram steel sheet used for car frames and even high-tensile 38-kg steel sheet with a strength of 90 kg per square millimeter. Its plasticity equals that of Extra Deep Drawing Quality (EDDQ) steel, which was so far the best material for frames, and PRK-90 can be easily manipulated because of its excellent weldability.

The new plate provides extra safety in crashes because its shock absorbing ability is more than double that of common steel or aluminum alloy. Automakers were only able to raise steel strength 5 kg in the last 20 years and use aluminum alloys to reduce weight, but due to the cost, aluminum alloys are used only in sports cars. With its lightness, PRK-90 can be used for the shells of trucks and buses and the interiors of cars, the spokesmen said. After success in pilot applications, POSCO has applied for a patent on PRK-90 in 12 advanced countries and is preparing for mass-production, the POSCO spokesman said. Hyundai Motor Co. has offered to test the alloy for its cars.

Lawmakers Vie for Democratic Party Leadership

SK2002044293 Seoul THE KOREA TIMES in English 20 Feb 93 p 2

[Text] Three leading lawmakers of the opposition Democratic Party [DP] entered the race for the top post of the party yesterday. Reps. Yi Ki-taek, Kim Sang-hyon and Chong Tae-chol registered their candidacy for the DP representative chairman position and wooed support in separate press conferences. The election will be held at a national convention on March 11. Besides the three, 12 lawmakers are expected to register their candidacy soon for the eight-member party supreme council. The DP yesterday decided to fix convention delegates at 5,905.

In a press meet at the party headquarters, Yi called for support as the next party leader, saying, "I am the very successor of the orthodox opposition party, inheriting the mantle of former opposition leaders Sin Ik-hui, Chong Pyong-ok and Kim Tae-chung." "I will do my utmost to create a new and creative image for the opposition party and its leadership to meet the people's expectations," he said. He vowed he would surely conduct public hearings into the irregularities committed during President No Tae-u's stay in power as an initial step to force president-elect Kim Yong-sam to eradicate corruption totally.

Yi also called on Kim to apologize for his attempt to smearly [as published] attack the former DP presidential candidate Kim by billing him a communist sympathizer during the presidential campaign. Yi said he would set up a committee to discuss the development of the party to allow it to seize power in the next presidential election. He renewed his pledge to run for the presidential election once he is elected the representative chairman by saying, "I will take up the party flag for the change of the government next time."

Rep. Kim Sang-hyon also wooed support pointing to the need to set up a strong opposition party to confront the gigantic ruling Democratic Liberal Party led by president-elect Kim. "Only a strong opposition party can give the people hope and accelerate the implementation of reformative plans pursued by president-elect Kim," he said. He said he would seek every possible way to visit North Korea to meet its supreme leader Kim Il-song after consulting with the government authorities if elected the party leader.

He vowed he would stage a hardline struggle mobilizing all possible methods in case the president-elect neglects his campaign pledges for reform. He promised he would not run for the next presidential election even if he is elected the party leader. "Instead, I hope to remain as a statesman who created a "myth" in Korea political history," he said.

Rep. Chong stressed the need to blow a fresh wind into the party, saying he is the most suitable candidate to realize the party members' expectations for party reform. "The party needs a young leader to put an end to the chronic regional confrontation and make the party a national party in the real sense," he said.

He called for a debate between the three candidates to give the convention delegates a chance to size them up in public. The three candidates plan to attend meetings for reorganization of local district chapters across the country from today till Feb. 25 where they will give joint speeches. They are expected to be involved in ever harsh competition as no candidate is thought to have a comfortable lead so far.

Burma

Opposition Wary of Rebel Peace Talks Report

BK2402095293 Hong Kong AFP in English 0912 GMT 24 Feb 93

[By Robert Birsel]

[Text] Bangkok, Feb 24 (AFP)—Burmese opposition sources said Wednesday they were concerned about reports that one of the most powerful anti-Rangoon guerrilla groups was about to open peace talks with the Rangoon junta.

Officials from the anti-Rangoon opposition alliance stressed that though reports that the ethnic minority Kachin rebel group was planning to start negotiations with the junta were not confirmed, they were watching the situation closely.

"We don't have any concrete evidence that they have held talks or intend to hold talks but we must keep the possibility in mind," an official from the Karen guerilla group said.

The Kachin from northern Burma and the Karen from the southeast are the two strongest rebel armies in the Democratic Alliance of Burma (DAB), the anti-Rangoon alliance of ethnic minority and pro-democracy insurgent groups.

The Kachin, along with the Karen and other ethnic minority groups, have been fighting for greater autonomy from Rangoon for decades.

Rumours have been circulating for some months that the Kachin Independence Organisation (KIO) guerrilla group was planning unilateral talks with the Burmese military government.

The Hong Kong-based Far Eastern Economic Review reported last week that the KIO had agreed to hold peace talks with Rangoon regime in the northern government-held town of Myitkyina. The report suggested that the talks were the result of pressure from China.

Burmese opposition sources and Burma watchers say the KIO, which operates in areas of Kachin state bordering China, has been under tremendous pressure from China to enter into negotiations with Rangoon.

The DAB alliance, including the Kachin group, has previously insisted that any talks with Rangoon should be held outside Burma and should be held under the auspices of the United Nations.

The opposition alliance also insists that any talks with Rangoon be multilateral, including the whole opposition alliance, and any ceasefire agreed with Rangoon should be nationwide covering all anti-government groups.

The DAB also says that all political prisoners, including the main pro-democracy leader Aung San Suu Kyi, must be released before any peace talks.

A KIO official said Wednesday that reports of peace talks were not true.

"No meetings or peacetalks have been arranged," the Kachin official said.

"The problem in Burma is a political one and must be solved politically. We are willing to sit down at the negotiating table with any government that wants to discuss," the official said, adding, however, that "any ceasefire must be nationwide and involve all anti-government groups."

Ye Kyaw Thu, a senior official of the DAB, said that while the KIO leadership had denied the reports of unilateral negotiations with Rangoon the opposition still had to be very careful.

"If someone deviates from our line of action, of course we will be hurt but at the same time we will survive," he said.

"We are all under a lot of pressure but we must be steadfast and only negotiate when our conditions have been met," he said.

"We can't control every entity (in the opposition alliance) but we trust the Kachin, we trust their judgement," he said.

Early last year senior KIO officials had brief talks with Rangoon in the Burma-China border region, but the outcome was not known.

Since 1989 Rangoon has managed to strike a number of ceasefire deals with anti-government groups including the powerful remants of the former Burmese Communist Party in Shan State in the northeast.

Since then Rangoon's efforts to approach remaining groups on a unilateral basis have so far come to nothing.

Convention Plenary Session Held 24 Feb

BK2502033193 Rangoon Radio Burma in Burmese 1330 GMT 24 Feb 93

[Excerpts] The plenary session of the National Convention was held this morning at the Central Meeting Hall in the President's House compound on Ahlone Road at 1000. [passage omitted]

U Tha Zan Hla from the National League for Democracy [NLD], alternate chairman of the Panel of Chairmen, delivered a speech. He said he wished for the mental and physical well-being of the members of the National Convention Convening Commission [NCCC], the National Convention Convening Work Commission [NCCWC], and all delegates to the National Convention. He said on behalf of the NLD he was very pleased to have the opportunity to preside over the plenary session of the National Convention.

He said various categories of delegates have already discussed matters concerning chapter headings for laying down the basic principles to draft a firm and enduring state constitution and that they will be presenting proposals on the chapter headings at the plenary session as prescribed in Chapter Four of the Procedures for the National Convention.

He explained that after the presentation of the proposals, the chapter headings should be considered. To be able to so, the proposals in general and common chapter headings must be reviewed by delegates in their respective groups by political parties and various groups.

U Tha Zan Hla said any task, if approached with a solid determination and with a strong national political will, will certainly achieve success. He urged all to pay special attention in studying the proposal presented by the groups of delegates from political parties.

Next, various groups of delegates presented reports on the chapter headings of the state constitution.

The report on proposals containing chapter headings for framing the state constitution compiled by the NLD was presented by its chairman, U Aung Shwe. The report contains 22 headings. They are:

1. Preamble; 2. State Structure; 3. Basic Principles of the State; 4. Parliament; 5. State President; 6. Government; 7. Chief Justice; 8. Attorney General; 9. Auditor General; 10. Role of the Defense Services; 11. National Races Issue; 12. State Economic System; 13. Foreign Policy; 14. Mass and Class Organizations; 15. States; 16. Divisions; 17. Fundamental Rights and Duties of Citizens; 18. Recall, Resignation, and Replacement; 19. State Flag, State Seal, Capital City; 20. Amendments and Interpretation of the Constitution; 21. Political Parties; 22. General Provisions.

The report submitted by U Sai Aik Paung of the Shan Nationalities League for Democracy contains 16 headings. They are: 1. Preamble; 2. Structure of the Union; 3. Basic Principles; 4. Fundamental Rights; 5. President of the Union Republice; 6. Union Parliament; 7. Role of the Defense Services; 8. Union Government; 9. Union Judiciary; 10. Distribution of Power between the Union Government and States Governments; 11. Role of Member States of the Union; 12 General Provisions; 13. Amendments of the Constitution; 14. Protection of the Constitution; 15. Provision for Interim Period; 16. Definition of Terms.

The report submitted by U Tun Yi of the National Unity Party contains 20 headings. They are: 1. Preamble; 2. State; 3. Guidelines; 4. Freedoms, Fundamental Rights and Duties of Citizens; 5. Parliament; 6. President; 7. Government; 8. Judiciary; 9. Commission for Safeguarding the Rights of Citizens; 10. Commission for Inspecting Public Enterprises; 11. States; 12. Local Administration; 13. Political Parties; 14. Defense Services; 15. Public Service Organizations; 16. Election and Appointment; 17. State Flag, Emblem, National Anthem, and Capital City; 18. Amendments of the Constitution; 19. Provisions for Interim Period; and 20. General Provisions.

The report submitted by U Maung Ngwe of the Union Pa-o National Organization contains 19 headings. They are: 1. Preamble; 2. The State; 3. State Structure; 4. Basic Principles; 5. The Legislature; 6. The Executive; 7. Judiciary; 8. Attorney General; 9. Auditor General; 10. States and Divisions; 11. Local Administration; 12. Basic Rights and Duties of Citizens; 13. Public Service; 14. Defense Services; 15. Electoral System; 16. Recall, Resignation, and Replacement; 17. State Flag, Emblem, and Capital City; 18. Amendment of the Constitution; and 19. General Provisions.

The report submitted by U Anthony Soo of the Shan State Kokang Democratic Party contains 18 headings. They are: 1. Preamble; 2. Name, Structure, and Flag of the Union; 3. Structure of the Union Parliament and Government; 4. Structure and Rights of the Parliaments of Governments of Members States of the Union; 5. Structure and Rights of Leading Bodies and Executive Organizations of Autonomous Regions in Member States of the Union; 6. Executive Power and Rights of Autonomous Regions; 7. Rights and Duties of Citizens; 8. Rights of Indigenous National Races; 9. Role of the Defense Services; 10. Protection of Natural Environment of the Union and Rights of Production and Use of Natural Resources in the Union; 11. Safeguarding of Democracy; 12. Basic Human Rights and Democracy; 13. State President; 14. Distribtion of Power Among the Union Government, State Governments, and Autonomous Regions; 15. Reason for Legal Existence of Political Parties in the Union; 16. Future Economic System of the Union; 17. Election and Recall; and 18. Formation of Ministry of National Races.

The report submitted by U Maung Thein alias U Tin Maung Thein of the Mro or Khami National Development Party contains 19 headings. They are: 1. Preamble; 2. State; 3. State Structure; 4. Fundamental Principles of the State; 5. Leading State Body [Naing Hgan Daw i Ok Shaung Aphwe]; 6. Parliament; 7. President; 8. The Executive, Prime Minister and Ministers; 9. Chief Justice, Auditor General, Attorney General; 10. National Races; 11. Local Administration; 12. Defense Services; 13. Fundamental Rights and Duties of Citizens; 14. Election; 15. Political Parties; 16. Public Service; 17. Amendment of the Constitution; 18. State Emblem, Flag, National Anthem; and 19. General Provisions.

The report submitted by U Yaw Aye Hla of the Lahu National Development Party contains 19 headings. They are: 1. Preamble; 2. State Structure; 3. Fundamental Principles of the State; 4. Executive; 5. Parliament; 6. Union Government; 7. Chief Justice; 8. Attorney General; 9. Auditor General; 10. States, New States, Autonomous Regions; 11. Foreign Policy of the State; 12. Defense Services; 13. Fundamental Rights and Duties of Citizens; 14. State Economic Policy; 15. Public Service; 16. Enactment, Amendment, and Revocation of Laws;

17. Amendment, Enactment, and Addition to the Constitution; 18. State Flag, Emblem, and Capital City; and 19. General Provisions.

The report submitted by U Saw Daniel of the Union Karen League contains 30 headings. They are: 1. Preamble; 2. State Structure; 3. Basic Principles of the State; 4. Citizenship; 5. Fundamental Rights and Duties of Citizens; 6. State Leaders; 7. The Legislature; 8. The Executive; 9. The Judiciary; 10. Local Administration; 11. States; 12. Relationship Between the Union and States; 13. Ministry of National Races Affairs; 14. Karen Affairs Department; 15. The State Advisory Board; 16. The Defense Services; 17. The National Security Council; 18. The Electoral System; 19. Directorate of Public Service or the Public Service Selection Board; 20. Amendment and Addition to the State Constitution; 21. Rights and Duties of Peasants and Workers; 22. Public Service; 23. Economic Policy; 24. Foreign Affairs; 25. Law Tribunal; 26. The Office of the Constitutional Affairs; 27. The Office of Management Affairs; 28. State Flag, Emblem, National Anthem, and Capital City; 29. Political Parties; and 30. Two Houses of Parliament.

The first day of the plenary session of the National Convention ended at 1435. The National Convention plenary session will meet for the second day on 25 February.

Plenary Session Continues 25 Feb

BK2502075793 Rangoon Radio Burma in Burmese 0630 GMT 25 Feb 93

[Text] The second day program of the plenary session of the National Convention was held this morning at the Central Meeting Hall in the President's House compound on Ahlone Road at 1000. The plenary session was chaired by alternate Chairman U Mahn Tin Aung Than from the Union Karen League and includes a panel of chairmen members U Aye Thwin, U Tha Zan Hla, U Naing San Shein, U Sai Tint Aung, U San Tin, U Aung Than, U Kyi Aye, and U Za Khung Ting Ring. U Khin Maung Myint acted as the secretary of the meeting.

Today's National Convention plenary session was attended by Major General Maung Thint, and Brigadier General Myo Thant, vice chairmen of the National Convention Convening Commission, and commission members; U Aung Toe, chairman of the National Convention Convening Work Committee, and committee member; the chairman of the National Convention Convening Management Committee, and committee members; local and foreign journalists; and National Convention delegates.

First, the secretary of the meeting declared the plenary session valid with the attendance of 689 National Convention Delegates.

Next, according to the program, the various groups of national convention delegates then presented their papers on chapter headings which should be included in the constitution. These papers were coordinated in the panel discussions.

In the political parties representatives group, U Yan Che Kan from the Kokang Democracy and Unity Party and U Marcos, alias U Sai Lone, from the Wa National Development Party presented their papers.

Continuing, Dr. Hmu Htang, elected representative from Thangtlang Township constituency, Chin state, presented the combined paper coordinated by delegates from the elected representatives group comprising the Shan Nationalities League for Democracy, National Unity Party, Union Pa-O National Organization, Shan State Kokang Democratic Party, Mro or Khami National Solidarity Organization, and independent representatives. The plenary session was temporarily adjourned for lunch at 1105.

It has been learned that the second day proceedings of the National Convention plenary session are still in progress.

SNLD Leader Presents Constitution Headings

BK2502142993 Rangoon Radio Burma in Burmese 1400 GMT 24 Feb 93

["Excerpts" of "the report on headings for framing the State Constitution" read by U Sai Aik Paung, general secretary of the Shan Nationalities League for Democracy, at the plenary session of the National Convention held on 24 February in the President's House Compound, Rangoon—recorded]

[Text] Esteemed Chairman and National Convention delegates: I am U Sai Aik Paung, general secretary of the Shan Nationalities League for Democracy [SNLD]. I would like to present matters relating to the heading—structure of the union—in Chapter 1. The state to be formed is a state where various nationalities reside. According to our history, our independent union came into being after the signing of the historic Panglong Agreement. It is not proper to forget the union's less-than-half-century historical background and we must continue to safeguard it. The non-disintegration of the union as mentioned in the first national objective points to the fact of the existence of the union. Since our SNLD believed that the new state can only be a union and nothing else, the heading of Chapter 1 is presented as the structure of the union.

Mr. Chairman, the defense and security of the state must be put into consideration and I would like to present the heading of Chapter 6 on the role of the defense services. In accordance with the objectives of the National Convention mentioned in Sub-section 6, Section B, Paragraph 4, of the State Law and Order Restoration Council's [SLORC] Order No. 13/92 of 4 October 1992, this topic has been included as one of the topics for discussion.

Mr. Chairman, next, I would like to present the basic reason for including the topic—Member States of the Union—in Chapter 10. It is to consider the role of the member states concerning the matter of promulgating separate constitutions for each member state of the union which is not opposed to the state constitution, the relations between member states of the union, the relations between member states and the union, the status of the states, the position of the states, and the responsibilities of member states towards the union. Moreover, must these also be discussed in the same chapter on how the states should be formed? Should we also discuss how autonomous regions and national areas of ethnic groups should be formed?

Mr. Chairman, I would like to present general provisions as Chapter 11. It concerns matters relating to the state flag, the state seal, national anthem, official language, capital city, symbols for nationalities, population census, and political parties. There could be instances where a person or organization that was duly elected by the people, once they assumed power and authority, began to oppress the people and only look into their own interests. How will the right to recall be implemented if the people, who have elected such a person or an organization, do not want or dislike them? Matters relating to the holding of a referendum when needed concerning popular initiative and peoples' demands should also be discussed.

Mr. Chairman, I am thankful for having the opportunity to present the chapter headings on behalf of the SNLD and I conclude my presentation. Thank you all.

NLD Leader Makes Report

BK2502122793 Rangoon Radio Burma in Burmese 1400 GMT 24 Feb 93

["Excerpts" of "the report on headings" for framing the State Constitution, read by U Aung Shwe, chairman of the National League for Democracy, at the plenary session of the National Convention held on 24 February in the President's House Compound, Rangoon—recorded]

[Text] Members of the Panel of Chairmen: I am U Aung Shwe, elected representative of the National League for Democracy [NLD] from Mayangon Township constituency-2, Yangon [Rangoon] Division.

I would like to submit the headings proposed by the NLD on the basic principles for framing the State Constitution.

Heading No. 2 is State Structure. This heading should be discussed seriously. Many indigenous national races reside together in our country. We share the same land [words indistinct] and have lived as a family through history. We are members of the same family [words indistinct]. We do not have the (?tradition) of different racial groups living in segregation, and we shall continue to live together in unity. We shall continue to preserve this strength of unity.

The national races are living together, sharing love and friendship in their respective places. Our country is not like other countries where races (?live in segregation). Our motherland belongs to all races. So, based on this historical background, 1. How are we to structure the state? 2. How are we to prescribe administrative regions? 3. How are we to administer states, divisions, and townshps? 4. How are we to (?administer) the state as a whole? We must consider and analyze these matters objectively together with the people within the correct framework in the family spirit and find out the correct answer.

If the prejudices based on past experiences, names, races, regions, persons, factions continue to prevail, I am concerned that our essence might disappear.

We have to (?pay special attention) to the national unity which is indispensable. [words indistinct] We should get rid of the wrong concept of minor and major race once and for all. We should accept the principle of living together in the natural environment. Therefore, I have submitted this heading to enable us to consult and discuss with magnanimity and goodwill in order to obtain a structure which is genuinely beneficial for the majority.

Mr. Chairman: The next is Heading No. 6. on Government. The state government is the highest administrative body and this organization is responsible for national development and progress, meeting the living requirements of citizens and provision of decent and happy life for them. This is the organization on which the people should have their trust. Families (?should have) security for life. Only when they have security for life can they live happily. Only when families live under such conditions can all the citizens live in happiness.

We should extensively consult and discuss on methods and systems based on social system which is in accordance with the multiparty democratic system and measures to ensure participation of indigenous races and guarantee their affairs. That is why we have included this Heading No. 6.

Mr. Chairman: Heading No. 10 is the role of the Defense Services. In relation to that heading we refer to Subsection 6, Section B of Paragraph 4 of Order No. 13/92 of the State Law and Order Restoration Council which prescribes participation of the Defense Services in the leading role in national politics as one of the objectives for the National Convention.

The Defense Services were born under the leadership of General Aung San, national leader and founding father of the Defense Services, during the independence movement. The Defense Services are an armed force which safeguards the nation and is made up of children of indigenous people from all strata of society, such as peasants and workers, and races. The Defense Services have discharged its duties well during the entire course of the independence movement and in the postindependence period, as well as in national construction, security, and defense duties. Under the present circumstances of the country, it is still necessary for the Defense Services to participate in national politics in accordance with its historical tradition. It is also discharging state duties under the present situation in the country.

Mr. Chairman: I have just presented in brief form why these headings should be presented. I conclude by saying that when individual headings are discussed, the NLD will further elaborate on the headings I have submitted. I thank you. [applause]

Cambodia

PDK Defends Printing, Use of Riel Bank Notes

BK2502024293 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 24 Feb 93

["Clarification" by the Party of Democratic Kampuchea, PDK, spokesman on printing riel bank notes for use by people in PDK-controlled zones; dated 25 February—read by announcer]

[Text] 1. The Party of Democratic Kampuchea [PDK] has successively asked for the correct and meticulous implementation of every clause of the Paris agreement, particularly the clause on the Supreme National Council's [SNC] being the legitimate and sole source of power in Cambodia during the transitioonal period. Along with this, the PDK has also proposed that riel bank notes sponsored by the SNC be printed for people to use uniformly throughout the country because the riel notes printed by the Yuon [derogatory term for Vietnamese] in great quantities are useless; the people no longer need them.

However, these proposals, like others the PDK has made within the framework of the implementation of the Paris agreement, have been shelved. The Yuon and puppets continue to oppress and rob the Cambodian people through the printing of bank notes, which people no longer use, and force the Cambodian people to use these notes.

2. People in liberated and semiliberated zones have requested the printing of new riel bank notes to be used in liberated and semiliberated zones because first, the bank notes of the Yuon's puppets are useless and no longer in use; and second, the Yuon and puppets have printed more and more of these notes, thus compelling people not to accept them. In transactions, people will not accept the riel notes of the Yuon's puppets; they will only accept gold, Thai baht, or U.S. dollars. The people are angry. They have suffered a hard life because they have been cheated by the Yuon and puppets who have forced them to part with their produce in exchange for the puppets' riel bank notes that nobody uses.

Therefore, the people have asked the PDK to print riel bank notes. The people do not use the riel notes of the Yuon's puppets. At SNC meetings, the PDK has successively proposed, to no avail, that the SNC print riel bank notes for people to use at the latter's request.

In such a situation, the PDK is compelled to print riel bank notes for people to use in liberated and semiliberated zones. These notes have a reasonable value, that is, the people are paid the same price for their produce as they have to pay for their purchases. The riel bank notes printed by the PDK comprise the following denominations: 1 riel, 5 riel, 10 riel, 20 riel, 50 riel, and 100 riel.

3. The PDK would like to stress that the printing of these riel bank notes is for use in liberated and semiliberated zones until the SNC has gained its legitimate rights and power and until the SNC has the right to use its own riel bank notes.

The PDK continues to firmly stand by the 23 October 1991 Paris agreement which has the aim of ending the Yuon's war of aggression in Cambodia. The PDK demands that the general elections be genuine and held freely, democratically, justly, and fairly. It also categorically opposes the UNTAC elections, which only give the Cambodian nation and people a raw deal.

Only by holding elections with UNTAC and the SNC within their genuine roles and powers can these elections be free, democratic, just, and fair; can the National Assembly and the government belong to the nation; can there be national reconciliation; and can Cambodia have genuine peace, independence, and sovereignty, and the right to decide its destiny itself, including the right to administer national finances and the printing of a single national riel currency.

[Dated] Cambodia, 25 February 1993
[Signed] PDK Spokesman

Aerial Surveillance Reveals KR Sawmills

BK2502050693 Hong Kong AFP in English 0439 GMT 25 Feb 93

[Text] Aranyaprathet, Thailand, Feb 25 (AFP)—Khmer Rouge [KR] guerrillas in Cambodia's eastern provinces have set up more than 100 saw mills to beat a two-month-long ban on log exports, according to reports from checkpoints and aerial surveillance. Sources in the Thai border forces charged with monitoring exports along a 200-kilometer (124-mile) stretch of the Thai-Cambodian border here said Thursday the reports indicated that 120 saw mills had been built since January 1, when the ban came into effect.

The United Nations-backed ban, which Thai loggers have said would cost them millions of dollars in lost revenues, did not apply to sawn timber, and the loggers complained at the time that they had huge stocks of felled trees inside Cambodia.

An unknown number of other saw mills were under construction, and chances of stopping the smuggling of electric saws and other equipment from Thailand for the new mills were slim, the sources said.

The log export ban, which was designed to push the hard-line Khmer Rouge faction back into the Cambodian peace process, has been porous from the start, with reports that huge quantities of logs have been shipped by Japanese companies from the southern Cambodian port of Kampong Som.

Field reports have also indicated that massive amounts of logs are being smuggled across the borders from Phnom Penh government-controlled areas into Vietnam and northern Thailand. Most timber concessions in Khmer Rouge areas are held by Thais.

The log export ban is scheduled to be followed on February 28 by a ban on the export of precious stones, most of which are mined around the Khmer Rouge-controlled eastern city of Pailin and flown into Thailand. Diplomats and Thai businessmen here have said the ban has little chance of succeeding, describing gem traders and miners as "like ants" who can easily slip through the border, unlike log exporters who must use easily detected heavy equipment on well built roads.

Opposition Party To Hold Annual Congress

BK2502105693 Hong Kong AFP in English 0858 GMT 25 Feb 93

[Text] PHNOM PENH, Feb 25 (AFP)—The FUNCINPEC party loyal to Prince Norodom Sihanouk will hold its annual party congress in its zone in northwest Cambodia next week, a party official said. The two-day congress on Sunday and Monday "will discuss the mission of our members in the U.N.-run election in May," said FUNCINPEC [National United Front for an Independent, Neutral, Peaceful and Cooperative Cambodia] official Veng Sereivut.

FUNCINPEC expected 3,000 to 4,000 members to attend the conference, with many overseas Cambodians returning from France and the United States.

Prince Norodom Ranariddh, the son of Prince Sihanouk and president of FUNCINPEC, was due to leave the Cambodian capital for the northwest zone after hosting North Korean Vice President Yi Chong-ok at a dinner on Friday, he said. Prince Ranariddh also planned to salute the hard work that party officials have contributed so far, he said.

FUNCINPEC has opened 347 party offices throughout the country in anticipation of the May election, Veng Sereivut said.

Sihanouk Meets UN Refugee Commission Official

BK2502065293 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 0430 GMT 25 Feb 93

[Text] His Royal Highness Prince Norodom Sihanouk, Cambodian head of state, father of the Cambodian nation, and chairman of the Cambodian Supreme National Council, received Sergio de Mello, chief of mission of the UN High Commission for Refugees, at the Khemarin pavilion at 1100 on 24 February. Dr. My Samedi, deputy health minister and chairman of the Cambodian Red Cross, was also present.

The meeting participants focused on a number of major issues relating to Cambodian refugees who have been repatriated and on important measures to speed up procedures regarding these issues.

Sihanouk Signs UNICEF 3-Year Aid Plan

BK2502080993 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 0430 GMT 25 Feb 93

[Text] At 1700 on Wednesday, the UNICEF delegation led by James P. Grant, executive director, was received by His Royal Highness [HRH] Prince Norodom Sihanouk, head of state, father of the nation, and chairman of the Supreme National Council, at 1700 on Wednesday for an audience and for signing a three-year aid plan.

HRH Prince Norodom Sihanouk expressed great joy at the activities of UNICEF, which usually assists people in poor countries, particularly Cambodia. UNICEF's tireless assistance, under the leadership of James P. Grant, who opened an office in Cambodia on January 7th, has transformed the Cambodian people's living standards, health, hygiene, and education.

The prince head of state also called on the delegation to pay further attention to the way of life of the Cambodian people, who have been affected by poverty and war for the past two decades. The prince father of the nation expressed conviction that the new UNICEF assistance will improve the living standards of Cambodia's poor residents, children, and also help further develop the education and public health sectors.

James P. Grant informed the prince about the essence of the 1992-1994 three-year aid project, in particular the $1.8 million for food and $23.3 million for hygiene and public health for 1993. In 1994, the total amount of aid will be $35.3 million in which the amount allocated for food will be increased to $5.4 million, $2.4 million for public health and hygiene, and $8.5 million for primary education.

James P. Grant affirmed the idea of helping Cambodian children acquire general knowledge as well as improving the living standards of people and children in rural areas throughout Cambodia.

DPRK Vice President Yi Chong-ok Arrives

BK2402135393 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 1300 GMT 24 Feb 93

[Text] His Excellency [H.E.] Yi Chong-ok, vice president of the DPRK, arrived in Phnom Penh at 1630 on the afternoon of 24 February for a five-day official visit to Cambodia at the invitation of H.E. Chea Sim, chairman of the Cambodian People's Party [CPP] Central Committee and of the National Assembly of the State of Cambodia [SOC]. H.E. Yi Chong-ok was officially and warmly welcomed at Pochentong International Airport by H.E. Chea Sim.

After paying respects to the DPRK's national anthem and CPP's song, H.E. Yi Chong-ok inspected the guards of honor of the SOC's Armed Forces of the three categories.

Present at this welcoming ceremony for H.E. Yi Chong-ok were members of the Standing Committee of the CPP Central Committee, such as Their Excellencies Bou Thang and Say Chhum, standing vice chairmen of the Council of Ministers; H.E. Tie Banh, vice chairman of the Council of Ministers and defense minister; H.E. Mat Li, vice chairman of the SOC National Assembly; Mrs. Men Sam-an, chairman of Cambodian Federation of Trade Unions; H.E. General [Gen.] Sin Song, national security minister; H.E. Sim Ka, chairman of the Phnom Penh Municipal Party Committee and People's Committee; H.E. Gen. Ke Kimyan, deputy defense minister and chairman of the General Political Department of the Cambodian People's Armed Forces; H.E. Gen. Phan Thai, adviser to the SOC prime minister; as well as the ministers of various SOC state institutions, representatives of the FUNCINPEC [National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia] Party's army; their excellencies the ambassadors of various embassies in Cambodia; and many officials, personnel, and workers from various ministries, departments, and units.

H.E. Yi Chong-ok, vice president of the DPRK, will meet and hold talks with high-level leaders of the SOC and pay a courtesy call on His Royal Highness Prince Norodom Sihanouk, head of state and chairman of the Supreme National Council of Cambodia. H.E. Yi Chong-ok also will visit Cambodia's cultural centers.

Attends Reception in His Honor

BK2502092993 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 0430 GMT 25 Feb 93

[Text] His Excellency [H.E.] Chea Sim, chairman of the Cambodian People's Party [CPP], National Assembly, and National Council of the Kampuchean United Front for National Construction and Defense, hosted a reception in honor of the DPRK's high-level delegation led by H.E. Yi Chong-ok, vice president of the DPRK, at Chamka Mon State Palace on the night of 24 February. Attending the banquet were H.E. Chea Soth, member of the Standing Committee of the CPP Central Committee; H.E. Sim Ka, member of the Standing Committee of the CPP Central Committee and chairman of the Party Committee and People's Committee of Phnom Penh City; and H.E. Kong Sam-ol, member of the Standing Committee of the CPP Central Committee and vice chairman of the Council of Ministers. Also present was H.E. Kim Hyong-yol, DPRK ambassador to Cambodia.

In his speech on that occasion, H.E. Chea Sim welcomed H.E. Yi Chong-ok's visit to Cambodia, considering it a contribution to further expanding and strengthening the relations of solidarity and friendship between the two countries. Commenting on the implementation of the Paris accord, he said although the Paris agreement's execution has met with some difficulties due to the Khmer Rouge's intransigence, the CPP and the State of Cambodia [SOC] government have, at all times, respected and sincerely implemented the accord with a view to bring about peace and national reunification. H.E. Chea Sim also highly valued the multifarious progress achieved by the DPRK under the leadership of Great Leader Kim Il-song.

Taking the floor, H.E. Yi Chong-ok thanked H.E. Chea Sim for the reception and said through the visit he had more clearly realized the ideal of the CPP, which is currently struggling to recover peace and national reunification and to put an end to the Cambodian conflict. He also esteemed and hailed the achievements scored over the past 14 years by the Cambodian people under the leadership of the CPP and SOC Government and reaffirmed that he would strive to further develop and consolidate the reestablished relations between Korea and Cambodia, contributing to the cause of peace and national reunification.

Indonesia

Suharto, Germany's Kohl Hold Talks 24 Feb

BK2402124793 Jakarta Radio Republik Indonesia Network in Indonesian 1200 GMT 24 Feb 93

[Text] Indonesia and Germany have vowed to enhance bilateral economic relations covering science, technology, and trade. Efforts to enhance the cooperation were discussed during talks between President Suharto and German Chancellor Helmut Kohl at Merdeka Palace in Jakarta this evening.

Minister and State Secretary Murdiono later briefed newsmen on the talks between the two heads of government, who were accompanied by their senior officials. He said that shipping was a tangible result of economic cooperation. Germany will continue to provide Indonesia with passenger ships until the 2000's. The shipping cooperation will be undertaken on the basis of a technology transfer to enable Indonesia to build its own ships in the years to come. Minister and State Secretary

Murdiono said that Chancellor Helmut Kohl told President of Germany's support for the planned construction of a copper-smelting plant in Gresik, East Java.

The evening talks were held in two stages. First, the two heads of government held bilateral talks. Simultaneously, ministers of the Fifth Development Cabinet discussed political and economic issues with their German counterparts. Later, President Suharto and Chancellor Helmut Kohl held talks along with German ministers and senior officials.

Minister and State Secretary Murdiono also said that President Suharto briefed the German chancellor on human rights in Indonesia. As chairman of the Nonaligned Movement, President Suharto stressed the need for a more extensive and open dialogue on human rights and the importance of North-South cooperation. On the occasion, Chancellor Helmut Kohl said that he would convey what had been discussed, especially those pertaining to North-South cooperation to the Japanese prime minister and the leaders of other industrialized nations. Tonight, the German chancellor and his delegation will attend a dinner banquet to be hosted by President and Mrs. Suharto at the State Palace.

Discuss Economic Ties, Human Rights

LD2402143593 Hamburg DPA in German 1255 GMT 24 Feb 93

[Excerpts] Jakarta (DPA)—Germany intends to help Indonesia on its path toward being an Asian industrial nation, without disregarding human rights' issues. These two topics were the focus of the first day of Chancellor Helmut Kohl's visit to Jakarta today.

According to information from delegation circles, during his meeting with Kohl in the Merdeka Palace, President Suharto expressed Indonesia's wish to have observer status at the next economic summit of the seven largest industrial nations (G-7) as the leader of the nonaligned nations. The G-7 summit will take place in Tokyo at the end of July. Kohl's next destination on his 12-day tour of Asia will be Japan.

Observers assume that human rights were also addressed, albeit only on the sidelines, of the first meeting between Kohl and Suharto. In connection with Indonesia's participation in the economic summit, Kohl already said earlier that this is a decision for all participating nations. A German group of parliamentarians addressed the human rights question more closely during an exchange of opinions with Indonesia's Foreign Minister Ali Alatas, which ran parallel to the talks between Kohl and Suharto.

Government spokesman Dieter Vogel said afterwards that Juergen Ruettgers, parliamentary business manager of the Christian Democratic Union/Christian Social Union [CDU/CSU] parliamentary group, brought up the topic of human rights. The foreign minister replied that Indonesia is committed to the protection of and respect for human rights. He conceded that improvements can be made but objected to interference from outside and to the "politics of pointing the finger." Human rights should not be brought into play as a pretext for other things, the minister said. [passage omitted]

The focus of the talks between Kohl and Suharto, and between the parliamentarians and German industrialists, however, was efforts to expand economic cooperation between the two countries. [passage omitted]

Germany and Indonesia are concentrating on shipbuilding in particular with regard to their increased economic cooperation. The shipyards in Stralsund and Wismar will profit mainly from this.

Suharto Hosts Banquet

BK2402153893 Jakarta Radio Republik Indonesia Network in Indonesian 1500 GMT 24 Feb 93

[Text] German Chancellor Helmut Kohl attended a dinner banquet hosted by President and Mrs. Suharto at Jakarta's State Palace this evening. During the occasion, the German leader was seated next to President and Mrs. Suharto as well as Vice President and Mrs. Sudharmono. Also present at the banquet were Foreign Minister Ali Alatas, Minister-State Secretary Murdiono, Trade Minister Arifin Siregar, and several German officials, including Minister of State (Anton Guenter). The banquet was followed by several Indonesian regional arts performances and Javanese traditional music.

Kohl Tours Ranch, Prepares for Departure

BK2502100693 Jakarta ANTARA in English 0807 GMT 25 Feb 93

[Text] Jakarta, Feb. 25 (OANA/ANTARA)—Visiting German Chancellor Helmut Kohl toured the Tri-S ranch set up by President Suharto to provide superior breeds Thursday before officially bidding a farewell to the president at the Bogor Palace in the afternoon. Kohl arrived at the ranch in Tapos south of here at 0950 and was welcomed by President Suharto himself.

President Suharto told his guest he set up the ranch after seeing that most cattle with the farmers were poor in quality and with the beliefs that superior breeds could be obtained through cross-breeding. By breeding livestocks, farmers are not only involved in mono culture and may earn more income, he said.

In reply to Kohl's question, President Suharto said that the cattle was breeded not only for meat but also for milk.

Kohl, who arrived here Wednesday afternoon, is scheduled to leave for Tokyo on Friday morning.

Development Aid Package Signed

BK2502132293 Jakarta ANTARA in English 0819 GMT 25 Feb 93

[Text] Jakarta, 25 (OANA/ANTARA)—Germany and Indonesia signed a financial agreement here on Thursday worth 110 million deutsche marks to help finance development projects in Indonesia.

The agreement which was signed by Wisber Luis of the Ministry of Foreign Affairs, German Ambassador Karl Walter Lewalter and Hans Peter Repnik of the German Economic Cooperation, consisted of 84 million deutsche marks in soft loan and 26 deutsche marks in grant.

The soft loan will be used to finance Java-Bali power transmission networks, drinking water plants in Palembang, electricity networks in Padang and other projects, Wisber said.

The grant will be used to finance forest fire management and AIDS prevention projects.

Repnik who is here to accompany German Chancellor Helmut Kohl said that the choice for these projects show the commitment of the two governments to sectors that directly affect the people.

Indonesia and Germany are expected to further increase cooperation for the interest of the local people, said Repnik. The soft loan carries an interest rate of 0.75 percent with a grace period of 30 years.

Environmental Cooperation Project Signed

BK2502131893 Jakarta Radio Republik Indonesia Network in Indonesian 0700 GMT 25 Feb 93

[Text] The Musi river in South Sumatera and the Mahakam river in East Kalimantan will get high priority in the Indonesia-Germany environment cooperation project signed by Population and Environment Minister Emir Salim and German Ambassador to Indonesia Karl Walter Lewalter in Jakarta today. According Emir Salim, the high priority given to the two provinces is attributed to the fact that both are fast growing chemical industry centers.

The minister admitted that the Mahakam river currently requires special attention even though the pollution rate in the river is not very serious. The river's population rate of (pusuk) fish—the only mammalian fish species in the world living in fresh water—is declining due to the damage to their natural habitat.

The project also stressed the importance of bilateral cooperation in developing environmental awareness, evaluation, environment-friendly technology, and environmental issues related to agriculture and forestry.

Dissidents Call on Assembly To Judge Suharto

BK2502073793 Hong Kong AFP in English 0720 GMT 25 Feb 93

[Text] Jakarta, Feb 25 (AFP)—Indonesian dissident leaders Thursday called on the country's highest legislative assembly to review and evaluate the leadership of President Suharto before deciding to re-elect him next month.

"Please review and evaluate in a responsible manner all policies and steps taken during the implementation of the government of the Republic of Indonesia in the 1988/93 period," the Group of 50 dissident organisation said in a letter sent to the assembly.

Suharto, 71, is due to end his fifth consecutive five-year term of office in March and the People's Consultative Assembly (MPR) is widely expected to reelect him for another term.

Under the law, Suharto has to report on his leadership to the MPR, which meets every five years to elect the country's president and vice-president and lay down state policy for the next term.

The dissidents' letter was sent to the MPR on February 15 and eight leading members of the Group of 50 tried unsuccessfully Thursday to meet with the MPR leadership to discuss it.

In the letter, the dissidents said that according to their monitoring many policies and steps taken by Suharto's government in the past five years ran counter to the constitution.

It cited among other things a clamp down on human rights, violence against people, economic liberalization which led to monopolies and domination by a few, power abuse and nepotism in the economy, swelling foreign debts and damage to the country's forests.

The group also quoted excerpts from a speech by Suharto made shortly after he first assumed power in 1967 in which he detailed the violations of the constitution by the "Old Order" government of his predecessor Sukarno.

"Doesn't what happened in the Old Order period happen again during the 25 years of the government of President Suharto, including the 1988-1993 period?,"the dissidents asked.

The Group of 50, which comprises many retired generals and former government officials who served under Suharto, also called on the MPR to dare propose a presidential candidate other than Suharto.

Laos

Death of Party Adviser Announced

BK2502064593 Vientiane Vitthayou Hengsat Radio Network in Lao 0500 GMT 25 Feb 93

[Announcement issued by the Lao People's Revolutionary Party Central Committee, the National Assembly, Government of the Lao People's Democratic Republic, and the Lao Front for National Construction Central Committee on the death of Sisomphon Lovansai—dated 25 February]

[Text] The Lao People's Revolutionary Party [LPRP] Central Committee, the National Assembly, Government of the Lao People's Democratic Republic [LPDR], and the Lao Front for National Construction [LFNC] Central Committee are deeply saddened to inform the multiethnic compatriots of all strata, cadres, party members, and combatants of all Armed Forces throughout the country that Comrade Sisomphon Lovansai, adviser to the party Central Committee, former Political Bureau member of the party Central Committee, and former vice chairman of the Supreme People's Assembly of the LPDR, passed away at 2205 [1505 GMT] on 24 February of an illness. He was 77 years old.

Throughout the period of his illness, party and state organizations have attentively taken care of him and provided him with special medical treatment. A team of physicians from both inside and outside the country, equipped with all necessary medical tools, tried its utmost to cure him in a high spirit of responsibility with the hope of saving his life. But, as his illness was so serious and because of his old age and weak physical condition, Comrade Sisomphon Lovansai has left us forever.

Comrade Sisomphon Lovansai was a senior, stalwart revolutionary combatant. He was among our Lao party and state leaders, who has devoted all his intelligence and energy throughout his life to the cause of struggle for national independence and freedom of our people in the past as well as the cause of defending the new system and building and developing the country in the new stage. Comrade Sisomphon Lovansai scored great achievements for our party, state, nation, and people. His demise is considered a great loss which has brought about grievous sorrow and mourning to our entire party, Army, and people.

To express gratitude and mourning for Comrade Sisomphon Lovansai, the party Central Committee, the National Assembly, the government, and the LFNC Central Committee have agreed to announce a five-day observance of nationwide mourning. The public is hereby informed.

[Signed] The LPRP Central Committee, the National Assembly, Government of the LPDR, and the LFNC Central Committee
[Dated] Vientiane, 25 February

Funeral Committee Named

BK2502091993 Vientiane Vitthayou Hengsat Radio Network in Lao 0500 GMT 25 Feb 93

["Resolution" issued by the Political Bureau of the Lao People's Revolutionary Party Central Committee on an appointment of a committee in charge of organizing the funeral for deceased Comrade Sisomphon Lovansai]

[Text] To express gratitude for Comrade Sisomphon Lovansai and to organize a funeral ceremony for him in an honorable and orderly manner, the Political Bureau of the Lao People's Revolutionary Party [LPRP] Central Committee has agreed to appoint a funeral committee. The committee comprises the following comrades:

1. Comrade Saman Vi-gnaket, Political Bureau member of the Party Central Committee and chairman of the National Assembly, as chairman;
2. Comrade Phoun Sipaseut, Political Bureau member of the Party Central Committee and deputy prime minister, as deputy chairman;
3. Comrade Maichantan Sengmani, Political Bureau member of the Party Central Committee and chairman of the Party and State Control Committee, as member;
4. Comrade Oudom Khatthi-gna, Political Bureau member of the Party Central Committee and secretary of the municipal party committee, as member;
5. Comrade Choummali Sai-gnason, Political Bureau member of the Party Central Committee and minister of national defense, as member;
6. Comrade Somlat Chanthamat, Political Bureau member of the Party Central Committee and head of the Propaganda and Training Board of the Party Central Committee, as member;
7. Comrade Khamphoui Keoboualapha, Political Bureau member of the Party Central Committee and deputy prime minister, as member;
8. Comrade Thongsing Thammavong, Political Bureau member of the Party Central Committee and head of the Organizing Committee of the Party Central Committee, as member;
9. Comrade Maisouk Saisompheng, member of the Party Central Committee and chairman of the Lao Front for National Construction [LFNC] Central Committee, as member;
10. Comrade Asang Laoli, member of the Party Central Committee and minister of interior, as member;
11. Comrade Thongloun Sisoulit, member of the Party Central Committee and minister of labor and social welfare, as member;
12. Comrade Khamsai Souphanouvong, member of the Party Central Committee and minister of finance, as member;
13. Comrade Nakhon Sisanon, member of the Party Central Committee and secretary of the party committee of Bolikhamsai Province, as member;
14. Comrade Mrs. Onchan Thammavong, member of the Party Central Committee and chairperson of the Lao Women's Federation, as member;

15. Comrade Khamman Sounvileut, member of the Party Central Committee and second secretary of the LFNC Central Committee, as member;

16. Comrade Bounthan Souvannasouk, chairman of the Federation of Lao Trade Unions, as member;

17. Comrade Khamdon Keochoummali, deputy head of the Office of the Party Central Committee, as member; and

18. Comrade Bouasi Lovansai, member of the Third National Assembly, as member.

The committee is authorized to hold discussions and clearly share responsibilities for each comrade. It is also authorized to guide various branches and sectors concerned to effectively perform duties as entrusted to them.

[Signed] Khamtai Siphandon, chairman of the LPRP Central Committee acting on behalf of the Political Bureau of Party Central Committee
[Dated] Vientiane, 25 February

Draft Law Discussed at National Assembly Session

BK2502112893 Vientiane KPL in English 0912 GMT 25 Feb 93

[Text] Vientiane, February 25 (KPL)—The preliminary meeting of the National Assembly (3rd Legislature) yesterday considered a draft law on the National Assembly which will be endorsed later.

The draft law consists of 9 chapters with 56 articles. Once endorsed, this law will supersede the law on the People's Supreme Assembly promulgated in 1988.

Minister Outlines Socioeconomic Plan 22 Feb

BK2502031193 Vientiane Vitthayou Hengsat Radio Network in Lao 0731 GMT 22 Feb 93

[Report by Khamphoui Keoboualapha, deputy prime minister, on the financial situation and the implementation of the socioeconomic development plan and state budget, presented at the afternoon session of the 22 February meeting of the third National Assembly—live]

[Text] Respected Comrade Khamtai Siphandon, chairman of the party Central Committee and prime minister;

Respected Comrade Nouhak Phoumsavan, president of the state;

Respected Comrade Saman Vi-gnaket, chairman of the National Assembly;

Respected Presidium members;

Beloved members of the National Assembly and distinguished guests:

Today I have the great honor of attending the preliminary session of the third National Assembly which has been elected with glorious success by the multiethnic people throughout the country in accordance with the first Constitution of our Lao People's Democratic Republic.

On this glorious and majestic podium of this organization of the people's power, I, with the commission of the prime minister, would like to report on the outstanding domestic situation in 1992 and present the guidelines for the country's socioeconomic development plan from 1993 to the year 2000, especially in 1993, together with the main measures for fulfilling the implementation of the plan.

Respected distinguished persons and excellencies, further implementing the comprehensive and principled restructuring outlined by the fifth congress of the party in 1992, our entire people have concentrated great and active efforts on fulfilling the tasks of defending the new regime and building and developing the country, thereby bringing stability, tranquillity, and security to the country in general. A considerable number of economic and cultural establishments have been built. Business production by the people and many economic sectors has been developed along the guidelines laid down earlier. As a result, the agriculture-forestry-industrial-service structure has been materialized and has become more clear-cut, as the following demonstrates.

The total national production output in 1992 increased by 7 percent compared to 1991. Of this, production in agro-forestry has increased by 8.3 percent, industry by 7.5 percent, and services by 3.9 percent. The average rate of inflation last year was less than 10 percent. Forty percent of the national budget and the economic structure have been distributed to the remote countryside, thus creating conditions for the development of production and circulation of goods. Foreign investment also increased. Registered capital for investment in 1992 reached U.S. $176 million for 104 investment projects.

Through statistics collected in the initial stage, we have gained hope and maintained confidence in our capability of exploiting and utilizing our natural resources in the near future. First and foremost, we can exploit and put to use large-scale hydroelectric power, natural gas, and other minerals. We have attached importance to the development of education, public health, and cultural and social work. In this regard, we have attentively consolidated the quality and raised the level of national education in accordance with the educational strategy as adopted for implementation until the year 2000. We have also improved the quality of public health service, implemented the basic public health project aimed at preventing contagious diseases among the people, and provided health care for mothers and children. Social welfare work has also been improved and expanded while human resources have been developed. Besides, cultural work has been attentively fulfilled by many sectors. In this regard, fine cultural heritages and national traditions, including those of various tribes, have been preserved while monasteries have been perfected, repaired, and rehabilitated. Various historic places which reflect the civilization and history of our Lao nation have been rehabilitated while the information and mass media work has been changed for the better.

To serve the requirements of the political tasks in the new stage, in particular upholding proficiency in managing the state, we have concentrated on consolidating and perfecting organizational apparatuses of the state at various levels, in particular at the central level. In this regard, we have improved the relationship between vertical and horizontal lines. At the same time, we have paid attention to educating and training cadres in order to raise the level of their understanding, capabilities, and qualifications. We have also rearranged the cadres and put them in proper places. Infrastructure work has been carried out in many localities. In carrying out this work, we have persuaded and motivated the people to promote and expand their rights to mastery while consolidating the political foundation and maintaining public security. Simultaneously, we have promoted production of the people and improved their living conditions.

All the aforementioned achievements have become a significant basis for our nation's continued advance. The achievements clearly prove the correctness of our party's restructuring line. In addition, political unanimity, trust, and the relationship between the masses and our party, as well as the new system, have been consolidated and strengthened. The progressive change has resulted from the revolutionary movement and creative ideas of the multiethnic people of all strata as well as the spirit of responsibility of cadres and party members of various levels and branches in guiding, leading, and organizing the implementation of the direction, plans, and policies of our party and state. It has also resulted from the appropriate implementation of the two strategic tasks of defending the new system and building and developing the country's economy and society. Those achievements have particularly resulted from the combination of promotion of spirit of self-mastery, self-reliance, and self-building of the people's strength with broadening relations with foreign countries. The achievements are the results of the contribution, support, assistance, and cooperation given by fraternal and friendly countries, both near and far, throughout the world as well as by international organizations, international institutes, and others.

On this glorious and significant occasion, I propose that the session praise and hail the multiethnic people of all strata, cadres, state employees, and combatants in the ranks of national defense and public security forces who have united as one in translating into reality the line and policies of our party and state in all sectors of work, thus worthily contributing to the common cause of the nation. [applause] I also propose that the session express sincere thanks to various friendly countries, various international organizations, and various institutes of countries as well as nongovernmental organizations and foreign investors for rendering great and precious support and assistance to us and thus contributing to the cause of developing our country and improving the living conditions of our people. [applause]

Beloved delegates, to further carry out the party's restructuring cause in order to free our country from the state of being underdeveloped and to lead our country to firmly march forward in the years of the late 20th century, we should clearly understand certain specific, outstanding points of the conditions in our country presently in order to use them as a basis to adopt an appropriate direction to follow.

Our country's specific points presently are as follows: the political situation is stable; the society is tranquil and safe; and the people maintain the patriotic tradition, the tradition of maintaining solidarity and harmony, the generous spirit, and bestow full support upon the comprehensive restructuring plan and policy of our party and state. Another significant point is that following the actual socioeconomic development practice over the past 10 years or so, new factors and offsprings, which serve as a basis for our country to advance, have emerged. On the other hand, our country has maintained fine culture and customs. Our country also has varieties of valuable natural resources which have not yet been exploited. Nevertheless, we still have some restrictions and difficulties in developing and building the country. Our country remains among the most underdeveloped in the world. In general, our country still maintains a natural and seminatural economy. Moreover, we have vast territorial land, but small towns which are scattered throughout. We still maintain a low level of education and technical knowledge and a too small number of experienced cadres and workers. In addition, the lower part of our economic foundation is still not strong. For example, the communications facilities are still not convenient. We are still short of capital and still suffer economic and financial deficits in many fields, a situation which has compelled us to depend on assistance from outside. On the other hand, the legal system which serves state and social management is still not adequate while the organizational system has not been perfected and regulations for government service are still not fitting.

I. On the basis of these concrete conditions of our country and based on guidelines adopted by the fifth party congress, the sixth plenary session of the fifth party Central Committee has set forth the following overall duties, objectives, and direction for the socioeconomic development for the period now until the year 2000:

A. Overall duties: strengthen solidarity and harmony of the entire people to enhance the spirit of self-mastery, self-sufficiency, and self-building of strength; concentrate all capabilities of the people and various economic sectors on expanding production in accordance with the marketing economic mechanism in which the state apparatuses are adjusted in combination with broadening relations and cooperation with foreign countries; exploit and utilize potential natural resources in our country, in particular in the agricultural, forestry, and hydropower fields, in order to vigorously expand production; turn the natural and seminatural economy into a goods-oriented economy to help improve the material and cultural life of the multiethnic people and to gradually free our country from the state of being underdeveloped; securely defend the country; and continue to build and expand the popular democratic system in accordance with the line and leadership of the party.

B. Objectives:

1. To meet the urgent needs of the people in their living conditions, especially those living in mountainous regions; to gradually improve the material and cultural living standards of the people; to raise the salaries of state employees while increasing national revenues; and to maintain political and social stability by firmly combining socioeconomic development with national defense and public security maintenance work and foreign affairs.

2. To build the agro-forestry economic structure which is to be linked, at an early stage, with industry and services, starting from the grass roots level, in order to develop goods production. This is to create an atmosphere conducive to bringing a clear-cut change in the national economy and to create more sources of capital within the country in order to stabilize national finance, to march forward to maintain self-reliance, and to actively develop human resources to create favorable conditions for national construction in the immediate and long-term future.

In order to achieve these obejctives, we must concentrate all efforts on fulfilling the following expectations by the year 2000: developing the national economy at an average rate of 8 percent per year; stabilizing the economy, finance, prices, and monetary exchanges; maintaining the rate of inflation at less than 10 percent per year; and mobilizing and promoting investments in various branches with at least 15 percent of the gross national product.

C. To translate into reality the overall duties and objectives, it is necessary to firmly grasp the following guidelines:

1. In the economic area, it is to build the agro-forestry structure and link it with industry and services. But, in the immediate future, it is necessary to consider as the forefront the combination of agro-forestry development with the processing industry. In this regard, it is necessary to promote and raise the efficiency of goods-oriented agricultural production in all respects; to attentively build hydroelectric works; to expand the processing industry at an appropriate size and level in order to vigorously promote goods production; to switch from the natural, subsistence economy; to set up more sources of capital for production of goods in the country while drawing sources for exporting goods and sources for accumulation of capital.

Based on the specific points of our country presently, we must link agro-forestry and industrial development with the development of communications and transportation work, and set up organic relations among these branches to enable them to encourage and support each other. In exploiting and utilizing natural resources, pros and cons must be comprehensively taken into consideration; special attention must be paid to preserving the environment, in particular forests and wild animals which are considered precious resources and a national strength that must be continually restored and perfected to make them ever more prosperous.

2. Continue to promote a goods-oriented economy under different forms of ownership and organization; set up a multitiered structure for a goods-oriented economy in order to expand the overall strength of the nation and use it to expand, as much as possible, business production under the state's supervision and control. In this regard, the family economy and private production of farmers will be vigorously promoted by implementing the state's various policies in combination with two-tiered services by various economic sectors under the form of production relations, circulation, and living conditions with a view to creating favorable conditions for turning the natural economy into a goods-oriented economy with positive steps which appropriately guarantee the benefits of each sector.

3. Along with building the economic structure in the economic branches and sectors, it is also necessary for us to build the economic structure in areas or regions by focusing on the strengths or specific points of each area or region in order to simultaneously develop all three plains, plateau, and mountainous regions as well as all provinces. However, in developing the provinces, it is necessary to set up key development zones which will be provided with privileges in many fields. The said key development zones must be zones which are rich in mineral resources, forests, and labor. They must also be in appropriate locations. This means that they must be the zones where favorable conditions prevail for quick exploitation and mobilization of great potential in natural resources, forests, and labor so that they can be built into basic zones where capital can be gained in support of the construction and development of other areas or regions of the country. By setting this direction, it does not mean that other areas or regions will not be simultaneously developed at a certain level. Nevertheless, in the years to come, all efforts will be made to develop the main areas or regions of the country, including those in Xieng Khouang Province, Vientiane Province, Vientiane Municipality, Bolikhamsai, and Khammouane Provinces. In this regard, attention must be paid to quickly conducting surveys for constructing a hydropower system in the next five to seven years. At the same time, basic infrastructure facilities, such as communications lines, must be built.

As for the northern, central, and southern regions, they possess their own different features for development depending on the special characteristics of the location of the (?forests) in each province. Available natural resources must be exploited for use in development in each locality.

D. There is another need in carrying out socioeconomic development, that is, to carry out comprehensive rural development. Because most of our people are farmers and planters who live in the countryside, we must therefore pay attention to gradually developing remote mountainous regions so as to improve the material and cultural life of the multiethnic people. The development of the countryside in our land must be carried out in a comprehensive manner relying on the special traditional characteristics and the potential for development in each locality. But, no matter where we are, we must regard the mobilization work to create unity and a sense of mutual hospitality and assistance among the people in each village and to consolidate the people's democratic regime as a primary issue, the promotion of production and the building of economic and cultural foundations as a central issue, and domestic security maintenance work as a fundamental issue.

Because the people in the country still carry on a subsistence lifestyle, they only engage in subsistence production for their own consumption. First of all, we must remove all obstacles to the expansion of all production forces in the countryside by disseminating knowledge in various fields, especially that on carrying out intensive agricultural production with scientific methods, modern tools, and progressive factors. We must raise the level of knowledge and general capabilities of the people in maintaining their livelihood by using the family as the leader and the village as the grass-roots unit, relying on the people's own labor, wisdom, and capital for organizing intensive agricultural production entablishments free from any collective form and for setting up manufacturing industry without big factories. Since rural development is a task that has to be carried out continuously and in the long run, it is necessary to have tools for the control of development undertakings in each village. Cadres at the village level must undergo training to upgrade their performance and have clear job discriptions laid down for them. In the years to come, a number of experimental and model rural development programs will be launched at the central level and in the provinces. For examples, household production models will be established in all villages to offer useful experience to people in the villages and nearby areas. By the year 2000, the number of developed villages must outnumber the total number of villages nationwide. To achieve this goal, we must build and train an adequate number of qualified rural development cadres. Since the task is so important, it is necessary to urgently establish a rural development organization to conduct the centralized researches and work out rural development plans and to act as a coordinator for agencies at the central and local levels as well as supervise and monitor the implementation of rural development projects. The continuous rural development will lead to the formation of socioeconomic groups and small towns. It is necessary to map out an early plan to link these socioeconomic groups with small towns and link the small towns with cities. This is an important task that can activate the role of cities in rural development and ensure the right formation of small towns.

E. In the years to come, we will have to continue the elimination of the vestiges of the bureaucratically centralized and state financing mechanism, shift the market economic mechanism by increasing the state's effective role in adjusting the mechanism, and clearly spell out the five roles of macromanagement and micromanagement. Therefore, we must enhance the right to self-mastery and promote the creativity and sense of responsibility of business production entrepreneurs so as to heighten the efficiency of production and services so they can legally enrich themselves and the country. State agencies must increase their roles in the control and adjustment of the market mechanism to create favorable conditions for business production. In so doing, we must apply the principle of democratic centralization with the state macromanagement by specifying the rights and duties as well as the responsibilities of organizations and agencies at differently levels and laying down a smooth coordination network, required to eliminate shortcomings in the vertical and horizontal relations. Services will be placed under the management of administrative organizations at their respective levels.

F. We must continue the expansion of foreign economic relations and increase cooperation on the basis of mutual interests. This is our consistent and long-standing policy being implemented amid a situation in which the world's economy has become more international in character. To have our country's economy attached to the said developments is an objective necessity so as to seize assistance and expertise from friendly countries in the international community for the development and modernization of our nation. For the time being, we have a policy of attracting and directly promoting foreign investment through different forms of cooperation as deemed appropriate and on the basis of the legitimate interests of both sides. Under this policy, we will concentrate on agriculture, forestry, electricity generation, and the construction of the economic and cultural infrastructure in order to facilitate the production of export-oriented goods while accumulating capital funds for national development. In other words, we will use foreign capital coupled with the country's hidden potential for national development and construction primarily through the expansion of the domestic economy and the exploitation of the plentiful natural resources for infrastructural construction. Hence, we will explore and use the hidden potentials in term of natural resources to increase the production of export goods and eventually achieve a foreign trade balance. At present, trade competition and the practices of trade protectionism among countries are increasing. Therefore, it is extremely necessary that we must adjust our policy to cope with the current developments and pay attention to the development and education of rank and file cadres so that they are firm and sensitive in order to ensure the successful implementation of the policy of the expansion of foreign economic relations. At the same time, we must have a mechanism, regulations, policy, and complete laws to offer convenience, make a good impression, and nurture confidence for foreign business people and investors.

G. The development of human resources. The target of our country's socioeconomic development is aimed at the well-being and prosperity of our multiethnic people and the prosperity and strength of the nation. Therefore, the development of human resources is an important direction of the socioeconomic development plan so that we can build qualified personnel for national development. In the years to come, we will have to make more efforts to increase the quality [words indistinct]; to improve national education through the modification of curricula; to upgrade the quality, standard, and conditions [words indistinct] of teachers; to develop the education management system; and to construct and expand the educational infrastructure to ensure that children of the multiethinic people have the opportunity to receive a fundamental education. On the other hand, we must attentively train technical cadres and intellectuals with ethical and moral qualifications. Special attention must be given to equal education opportunities for children of tribal people with the aim of enabling each ethnic group to have its own key cadres and intellectuals to work for the future of the ethnic group and the national community as well.

In addition to the endeavors to upgrade the people's knowledge, we must pay our attention to public health. This is one of the social policies of our party and state. We are obliged to translate this policy into concrete actions in the form of organized medical services for the people. First of all, we must improve the quality of our medical cadres and hospitals, expand the public health network, acquire necessary medical equipment and tools to heighten the efficiency of medical treatments, and educate and train medical cadres so that they have a correct attitude and a sense of reponsibility toward patients. At the same time, the efficiency of medical treatment must be enhanced through the combination of traditional and modern medicines and the application of the latest technology in medical science as permitted by the potentials and actual conditions in our country. Most importantly, we must educate our people so that they are well informed on how to maintain good health and participate in the tasks of sanitation and the prevention of diseases.

Spiritual values are very important for the development of human resources. If the people lack spiritual values, there can be no peace or justice in society no matter how highly developed the country may be. Therefore, the people of all ethnic groups and strata must be educated and kept well aware of the value of their own fine traditions and national culture and literature, as well as their identity. It is the duty of everyone to safeguard these invaluable heritages passed on to us by our ancestors, which reflect our national existence and solidarity and the people's generosity. We must pay keen attention to the defense and promotion of our national culture.

II. Respected comrades and persons, based on the objectives and guideline of the Socioeconomic Development Plan for the period from now to the year 2000, the government has laid down the objectives for 1993 as follows:

A. With the annual growth of the national economy of not less than 7 percent compared with the figure in 1992, the growth rates of agriculture and forestry will increase 5 percent, industries 9 percent, and services 10 percent. The inflation rate will be curbed so as not to exceed 10 percent per year. Efforts will be made to exploit hidden potentials in the country, increase income sources in the country to guarantee the payment of salaries and services [words indistinct]. We will strive to earn a budgetary income of 13 percent of the GNP and reduce the foreign trade deficit while maintaining the 1992 level of the national reserve of foreign currencies. The anticipated achievements require us to concentrate on the following tasks:

1. Agriculture, forestry, and rural development. We must strive to produce 1.6 million tons of rice, promote the cultivation of other cash crops, animal husbandry, and the production of processed agricultural and forestry goods so that their total value exceeds 55 percent of the value of the GNP. To achieve the anticipated figures, we must first of all invest in the implementation of the projects against drought and floods through the improvement and construction of irrigation systems and flood prevention systems. The money to be used for this purpose will amount to 35 percent of the total budget allocated for agriculture. At the same time, the government will invest in rural development which will be linked to the production of food supply and commercial goods. The money to be used for the investment in this field amounts to 32 percent of the budget allocated for agricultural work. The state will implement the policy of providing loans and guaranteeing crop prices to boost agricultural production and animal husbandry for export.

The forestry policy of banning indiscriminate logging and preventing deforestation will continued to be implemented. Forestry business will be made responsible for the protection of forests, afforestation, and rural development. The processed wood industry will be promoted to increase the export of finished wood products. The survey of forested areas and registration and classification of forest reserve areas nationwide will be expedited. Rules and regulations will be formulated for the protection of those forested areas while efforts will be made to put an end to slash-and-burn cultivation by encouraging farmers to shift to other fixed occupations. The policy of allowing the people to manage land and forested areas will be further implemented. The protection of forests and wild animals will be further enhanced.

2. Industry and Agriculture. We will strive to push the value of industrial and handicraft production to reach the level of 11 percent of the GNP in 1993 and continue to improve the existing industrial and handicraft production. We will pay attention to the improvement of the quality of our products and the preservation of the natural environment while expediting the implementation of development projects such as the construction of (Nam Song) dam, an industrial plant at Vangvieng District, and a hydroelectric dam in Oudomsai Province; the installation of high-power transmission lines between Thalat and Luang Prabang; and the electrification of some areas in the northern, central, and southern provinces. At the same time, we must follow up the implementation of the investment agreements approved by the government and expeditiously promulgate the laws governing the exploration and exploitation of mineral resources. We will gather information and data concerning the setting up of industrial development zones in terms of the availability of construction sites and other infrastructures such as water, electricity, transportation, and communications facilities, which are the foundation for efforts to attract foreign investment.

3. Communications, Transport, and Posts. In compliance with the policy and guideline of giving a prominant role to communications, in 1993 the state's investment in this area will amoun to 48.2 percent of total investment for the infrastructure construction. Seven projects will be launched to conduct economic and technical surveys on land and waterway transportation ways. Thirteen projects will be initiated for the construction and renovation of bridges and roads such as National Highways No. 13, 9, 8, 20. The existing roads will be repaired to ensure convenient transportation. Preparations are being made for the management and utilization of a bridge acroos the Mekong River. The construction work in municipal areas such as Vientiane Municipality will be regulated in line with the existing city planning. City planning will be designed for other provincial and municipal towns. The quality of air transportation and commercial aviation services will be upgraded. The project for the improvement of postal services will be continued in order to enhance the sense of responsibility of cadres in handling postal items such as letters and documents, contributing to the heightening of the people's political knowledge and spiritual well-being and administration of the country,.

4. In 1993 greater efforts will be made to boost the production of consumer and export-oriented goods through the exploitation of natural resources and existing production facilities. We will concentrate on the management of the domestic market and import and export businesses to reduce the foreign trade deficit. The trade promotion policy will be extended to the rural and mountainous regions with service work attached to farmers' household production. The trade sector must intensify its efforts to seek foreign markets and enter negotiations with foreign countries for import quotas for our products, pay attention to the implementation of trade agreements signed with foreign countries, and study and work out rules and regulations governing transit export trade, with a pilot project to be launched in Savannakhet Province in order to acquire experience for further implementation in other localities.

5. Tourism. In compliance with the policy of widening economic relations with foreign countries and promoting the production of handicrafts and arts products to generate jobs and income for the people as well as the state, we must pay attention to the promotion of the culture- and nature-oriented tourism industry. At this stage, we will establish the National Tourism Company, improve the operation of other tourist agencies to prevent the entry into the country of illegal immigrants as tourists, and organize more training courses for cadres in the tourism industry so as to upgrade their knowledge in serving tourists. Another important front is the improvement of the existing tourist attraction sites and opening new ones that have historical significance and beautiful scenery.

6. Finance and Banking. We will continue the implementation of the financial restructuring policy in order to achieve financial stability, intensify the exploration of domestic sources of income such as revenue from tax collection, and centralize the management of foreign assistance and loans to ensure their efficient utilization and reduce the use of such money to finance daily routine work. We will follow the regulations governing the use of the state budget, pay attention to the improvement of tax collection work, establish the national monetary reserve to completely detach the work in this area from the bank, formulate the regulations and laws to be used as the tools for the strict implementation of the finance policy, and expeditiously issue new salary scales for state employees, members of the National Assembly, and cadres working at the village level. The policy governing bank interest rates will be further improved. Different interest rates will be clearly classified for different purposes. The state bank services will be improved. Commercial banks will be set up in localities where businesses and trade are expanding to provide convenience for economic and production bases. The role of the central bank in supervising and monitoring the operation of commercial banks and other domestic and foreign financial institutions will be enhanced. The establishment of trust funds for community development and credit cooperatives will be encouraged to boost business production of various economic sectors in all localities.

7. Foreign economic relations for the implementation of our country's Socioeconomic Development Plan. We must continue to consistently implement the policy of widening foreign economic relations on the basis of respect for independence, sovereignty, equality, and mutual interests. In 1993, the Foreign Investment Law and other regulations concerned will be amended to cope with new requirements, boost foreign investors' confidence, and improve agencies in charge of promoting, managing, and facilitating investment to enable them to

maintain relations and conduct negotiations with foreign countries and [words indistinct] redundant working mechanism and patterns which cause delay. However, the protection of foreign investment must be intensified through a clear division of responsibilities among agencies at the central and local levels.

8. We will continue to create and implement projects to develop the quality of education, particularly primary education, in line with the five programs laid down earlier and, at the same time, determine the direction and plan to improve the educational systems at other levels, including secondary and vocational education provided by both the state and private sector. Meanwhile, schools for ethnic groups must be established to eliminate illiteracy and provide vocational training courses in agriculture and handicrafts for the people in the areas. We will promote sports activities among the people and make preparations for the upcoming national games to be held in Champassak Province. Lao athletes will be selected and trained for competitions at both national and international levels.

9. In public health, we will follow the public health guidelines adopted by the fifth congress of the party and the WHO slogan that reads health for all. In 1993, we will pay attention to the development of quality public health, disease prevention, and medical treatment and services; and we will improve the basic health care network, with emphasis on rural areas and free treatment services for low-income people and cadres. The key issue is that we must formulate regulations and organize effective inspection process for the drug and food industry in order to guarantee health for the people.

10. Information and Culture Work. We will improve the quality of information, propaganda, and mass media work to attract capital funds from various economic sources. In 1993, we will increase the transmission power of the existing radio stations and improve the contents of their programs. The central television station's programs and broadcast times will be increased. We will complete the construction of the central television station as scheduled and plan to build a television station in Champassak Province. In the cultural area, we will continue exploring and enhancing the fine cultures of the country and all ethnic groups, revive and promote arts and literature activities, select talented persons from localities and the grass-roots, renovate ancient places and major museums such at the That Luang, Phakeo, and Sisaket Temples and Luang Prabang Museum, and provide more protection for artifacts nationwide, especially those symbolizing the history and civilization of our nation.

11. Labor and Social Welfare. At present, the demand for skilled labor in all fields for national construction and development is increasing every passing day. It is necessary to pay greater attention to the training of the labor force in line with the present demand of the labor force and to meet the requirements of foreign business people who come to invest in our country. We must establish a labor service center and an organization to mediate labor disputes and formulate a comprehensive social welfare policy for, for example, pensioners, war veterans, and those who have left government service as a result of any force reduction. A policy governing the use of tools, vehicles, and materials by cadres at all levels must be formulated. Social welfare work with financial support from internal and external sources must include the allocation of farmlands and shelters for displaced persons and refugees who return home as well as victims of natural disasters.

III. To translate the said Socioeconomic Development Plan into tangible products such as new irrigation systems, roads, and hydroelectic dams, we must firmly grasp some basic principles, as follows:

A. The plan must be brought to the masses and turned into a strong and extensive revolutionary movement of the masses. The masses will be encouraged to make preparations for the plan and will be informed about the objectives of the party and state in this regard—these being aimed at the well-being of the people themselves.

B. We must enhance the quality of the organizational apparatuses from the central to the grass-roots levels. First of all, the improvement of the apparatuses at the ministerial level must be completed before those in localities in accordance with the vertical line of operation, thus stabilizing the state apparatuses in order to enable them to effectively control and organize undertakings. The vertical and horizontal relations must be improved. We must eliminate the inefficiency of state apparatuses and dispatch experienced cadres to reinforce those in localities and at the grass-roots. While restructuring organizations, we must attentively oppose any lethargic attitudes and suppress corruption, the abuse of authority, and violation of the country's laws and the people's right to self-mastery.

C. We must attentively improve the macro-control tools. For the time being, a working team will be set up to review laws, decrees, orders, and regulations promulgated by the government and agencies concerned to see if they are contradictory and unsuitable to the current circumstances. We must further study the tasks involving socioeconomic management while the state management agencies must intensify their efforts to educate various business sectors so that the latter will be able to understand and strictly abide by the laws and regulations and decently earn their income in their own interests and those of the country.

D. We must energetically mobilize the potentials of the people and various economic sectors in the country and seek assistance and cooperation from brothers and sisters for the implementation of the socioeconomic development plan.

E. We must pay attention to the task of training and educating cadres. This is a crucial factor in the implementation of the development plan. We must organize study and training courses for cadres in all areas to enable them to satisfy the present performance requirements. At the same time, we must start building and training cadres of yonger generations who will later have to take over national tasks.

Respected members of the National Assembly and distinquished guests: The Socioeconomic Development Plan for the period from now to the year 2000 is in conformity with realities in different aspects of our country and reflects the plans, policies, and guidelines adopted by the fifth congress of the party. It also fulfills the aspiration of the multiethnic people and serves their interests as well as conforms with the changing external situation. The fulfillment of the development targets set for 1993 will lay a firm foundation for the further implementation of the Socioeconomic Development Plan. I hope that you members of the National Assembly, who represent the multiethnic people's right to self-mastery and their interests, will thoroughly consider and endorse this plan and closely cooperate with the government in mobilizing the people to reconstruct and develop the country in line with the plan for the sake of the country's prosperity and people's well-being. I wish you all good health and thank you for listening to my report. Thank you.

Philippines

More Police Join UNTAC Forces in Cambodia

HK2402142193 Manila THE MANILA CHRONICLE in English 24 Feb 93 p 7

[Text] The fourth batch of Filipino policemen left yesterday for Phnom Penh to join the United Nations Transitional Authority in Cambodia [UNTAC] which is responsible for peacekeeping and the first democratic elections in Cambodia in decades.

UNTAC is currently overseeing efforts at normalizing the political situation in Cambodia.

Dep. Dir. Gen. [Deputy Director General] Raul Imperial, PNP chief, said the tour of duty of this batch of 60 peace officers will take from six to nine months.

Imperial told the officers and their families during send-off rites at Camp Crame yesterday that he is proud to see them earn a chance for a unique victory for peace in another land.

He added the admirable performance of the Filipino UNTAC contingent may help soften accusations of unprofessional conduct here by police.

The contingent is led by Chief Insp. [Inspector] Sankula Hussin with Chief Insp. Willy Atun as his executive officer.

They will be expected to train the police in Cambodia on performing election duties.

Central Bank To Issue Bonds Despite IMF

HK2402040693 Quezon City MALAYA in English 24 Feb 93 p 3

[Report by Ramoncito P. dela Cruz]

[Text] Despite the warning aired by the International Monetary Fund (IMF), the Philippine Government is pushing through with international bond offerings next year.

In an interview with newsmen yesterday, Central Bank (CB) Governor Jose Cuisia, Jr. said government is still pursuing its application for a credit risk rating. It expects to receive a country rating from two international agencies—Standard and Poors and Moody's International—by the fourth quarter of the year.

"Thus, it is more realistic to expect the next sovereign bond issue to be offered in early 1994," he told newsmen. Government is eyeing both the U.S. and Japanese markets through the issuance of the first ever "Yankee" and "Samurai" bonds.

Mr. Cuisia, however, is not sure whether or not a rating is required for "Samurai" bond floats. He said if a rating is not needed, then the government will have to tap Japanese funds ahead of the U.S. market.

This developed as proceeds of the country's first Eurobond issues are expected to be received today. Contracts for the $150-million issue were finalized today and listed on the Luxembourg Stock Exchange this morning.

The CB has yet to receive the exact amount of the proceeds—minus the discounts and underwriting fees—from its lead underwriter, J.P. Morgan Securities Asia.

Proceeds have been earmarked to finance public infrastructure projects as part of Government's "pump-priming" activity.

Mr. Cuisia likewise assuaged fears of the IMF on government's possible "bond issue-binge" due to the success of the Eurobond.

"We are not going wild over bond issues," he clarified, "if we are, we should have our next issue in the next quarter rather than next year."

He added that bond issuances "are not only feasible but also beneficial to the economy," since the maturity period is longer than regular loans from foreign commercial banks, whose interest rates are comparable to the bonds.

He further assured the Fund [IMF] that government will maximize the utilization of all the multilateral and bilateral concessional loans and aid it has been receiving.

However, Mr. Cuisia was quick to point out that donor countries have already shifted focus to African and Eastern European countries, from the Southeast Asian region.

As for corporate bond issues, Mr. Cuisia said the CB is still "convincing" the Development Bank of the Philippines [DBP] to tap the European market to augment financial resources for relending purposes.

Earlier, DBP chairman Roberto de Ocampo said that the bank is seriously considering the option.

Privatization Policy Needs Clarification

HK2302044293 Manila BUSINESS WORLD in English 23 Feb 93 p 1

[Report by Genevieve I. Soledad]

[Text] Investors want a clearcut government policy on privatization before they start investing in privatization schemes.

So said Alan Stevens, an officer of Linklater and Paines in Hong Kong in a speech delivered during the Euromoney Conference held at the Shangri La's EDSA [Epifanio de los Santos Avenue] Plaza Hotel yesterday.

"One of the principal causes of investor frustration in relation to private investment in public sector projects is the lack of clear government policy on privatization objectives and the manner of achieving these," said Mr Stevens.

Mr Stevens was not particularly citing the Philippines' own attempts at privatization.

He cautioned that countries interested in privatizing public services should come up with clear legislative action on privatization.

"From a lawyer's viewpoint as well as the investors', it can be a great advantage for governments to pass general legislation in advance before plunging headlong into privatization," said Mr Stevens.

He said the private sector looks for several conditions before it actually sinks investments into privatization schemes.

First of all, investors want certainty.

"They want to know in advance what the conditions are. They make their investment decisions based on these conditions and they want to (make sure) these conditions will not change arbitrarily," said Mr Stevens.

Second, investors want freedom from government interference.

"Investors want to know there will not be any new or excessive legislation like price controls, increased taxation, and so on," Mr Stevens added.

Third, investors hate delays.

"They want to avoid delays... in the initial negotiations, in dealings with government and subsequently in trying to impelement the privatization program," said Mr Stevens.

The fourth factor, of course, is profit, the privatization lawyer said.

Mr Stevens added that another way Government can speed up private sector investments in public projects is to centralize the decisionmaking process.

"It is very frustrating for foreign investors and their legal advisers to negotiate and substantially conclude the negotiations or transactions with one branch of government while others are opposed to the project and are doing their best to delay or sabotage it," said Mr Stevens.

Ramos Orders National Service Act Implemented

HK2402122493 Quezon City MALAYA in English 24 Feb 93 p 3

[Text] President Ramos yesterday ordered Defense Secretary Renato de Villa in coordination with an interagency task force to fully implement the National Service Act [NSA] by school year 1993.

Under the NSA, those covered will be provided with two additional options apart from the military service requirement.

These options are community development work, and public safety law enforcement activities.

The President directed the interagency committee composed of the DND [Department of National Defense] and the Department of Education Culture and Sports to closely coordinate for the full implementation of the NSA.

The President said the full implementation of the NSA would enhance the students' awareness in undertaking fruitful activities.

The chief executive also said the NSA would improve the peace and order situation in the country since cadets of the Citizens Military Training (CMT) would now be involved in public safety and law enforcement activities.

Romulo Adopts Economic Diplomacy Policy

HK2502034893 Manila MANILA BULLETIN in English 25 Feb 93 p 20

[Report by Patrick Apostol]

[Text] The much elusive growth for the Philippines will depend on how far the present leadership's economic diplomacy will go.

The government is bent to establish in the process an eight percent growth rate and a thousand (U.S.) dollar per capita income by 1998.

It is a tall order, according to certain quarters, but achievable in the face of a growing solidification between the governemnt and the private sector.

Foreign Affairs Secretary Roberto R. Romulo, on whose shoulders the main task falls, is on a gameplan to draw from target countries better terms in trade, tourism, labor employment, investments and technology. He sees more in augmenting ties with the Middle East countries other than surplus labor. He looks forward to forging ties with the newly-independent states of the former Soviet Union.

The new leadership banks on the central foreign policy thrust as the main leverage to mount an export offensive even in non-traditional spheres. For one thing, global developments are pointing the needle to Europe and East Asia, preferably China.

In the DFA's [Department of Foreign Affairs] renewed urgency to look for alternative markets, the European market known as EC should be tapped vigorously. Trade sources said western travelers go to Europe for good buys and most products in demand are from developing countries like Thailand and Philippines. This explains why premiere and ambiante [as published] fairs in Germany are profitable for small exporters from the Philippines. The recent Cologne fair stressed the big demand for quality Philippine furniture. Through these activities, it only averred the observation that Europe poses as a veritable marketplace for Asian products while U.S. is still reeling in recession.

Romulo has high hopes for AFTA [ASEAN Free Trade Agreement] on the bargaining table for the ASEAN countries. Admittedly, it is the answer to the proliferation of trade blocs which according to world observers, reflect a movement of protectionism.

"AFTA should be seen not merely as a part of the world movement towards trade blocs. It should be seen as a response to this movement as a way to cope with the new world ASEAN countries must do business in," he said in an interview.

Whenever an important trade bloc is established, he said, those not belonging to the bloc must worry about two things that might adversely affect them and these are trade diversion and investment diversion.

Romulo said a trade bloc offers a larger market and only members have preferential access to it.

"If some members of the bloc produce some of the export products you produce, they may displace you as a source of imports for their larger market. If the bloc happens to be protectionist and sets up new barriers to imports from countries outside the bloc, then all the more should you fear and expect trade diversion to hit you," the foreign affairs secretary warned.

He said investment diversion works in a similar vein.

"The larger market that the trade bloc offers attracts more investment, sometimes away from the smaller market that you offer. Manufacturers outside the bloc will try to overcome the perceived or expected difficulties or disadvantages of selling to the trade bloc by setting up factories inside the trade bloc. Again this sometimes may result in diverting investment away from your country," he said.

Romulo said the AFTA has 320 million consumers and per capita income is growing faster. A European official said the ASEAN has its own captive market to work with.

The foreign secretary said the world has become a mosaic of trade blocs. Since 1990, 10 blocs have surfaced with EC merging with the European Economic Area [as received] to widen its coverage and then came NAFTA to install a North American power base. The secretary's periscopic eyes perceive the extension of Central and South America to the NAFTA chain in the time to come.

According to international trade sources, developing countries like the Philippines have a steady market in EC that posted about 90 percent [as received], an astonishing development that keeps a sustainable North/South dialogue carving a climate of freer trade and enterprise.

However, the EC officials warned the Philippines on certain delinquencies like less quality and late deliveries. European consumers prefer quality goods regardless of prices, it was learned. These are some of the minor irritants which may get into the export timetable that the government is charting.

In carrying out the economic diplomacy, Romulo must have a strong information mechanism.

Up to this time, the country is not enjoying a good image. This has to be overcome in terms of appropriate communications and information strategies. With the establishment of a Foreign Information Council, it has a strong chance of penetrating the multimedia channels that have deprived the past administration.

The secretary is hopeful that U.S. and Japan being the country's biggest trading partners and sources of investment will figure prominently in the economic diplomacy and in the image-building program of the present government.

"We will embark on a strenuous endeavor to develop significant trading and economic partners in the dynamic economies of East Asia and some parts of Latin America as well as in the European Community. We shall proceed our attention also to South and West Asia, Southern Africa, and Eastern Europe," Romulo said.

Japan To Finance Development Project in Rizal

HK2402143593 Manila BUSINESS WORLD in English 24 Feb 93 p 11

[Report by Conrad M. Carino]

[Excerpts] The Department of Agrarian Reform (DAR) and the Japan International Cooperation Agency (JICA) have signed an agreement for a P400-million [Philippine pesos] grant to fund the Integrated Rural Development Project in Jala-Jala, Rizal.

Agrarian Reform Secretary Ernesto O. Garilao signed the agreement with JICA representatives last Feb. 18 in Japan.

The final signing of the agreement came four years after the project was conceptualized, and about two years after a final agreement was arrived at by DAR and JICA, both of which found the project technically sound and economically viable.

JICA has tapped Taisei Corp., one of Japan's top engineering firms, as the project's civil works contractor. A Japanese team composed of JICA and Taisei representatives is expected to arrive early next month to start the initial mobilization of resources for the project, which is expected to be completed in about two years.

The project will be the first civil works undertaking in the country of Taisei, which has implemented engineering projects in over 50 countries.

The basic design study report of the Jala-Jala project showed social and agricultural infrastructurers which include irrigation, water and drainage systems and a rice milling center.

The Jala-Jala project also includes the construction of a power plant, which will be built by Government but will not be covered by the P400-million grant.

The project aims to develop Jala-Jala's self-sufficiency in rice, and to increase its regional gross domestic product output. [passage omitted]

The DAR chose Jala-Jala for foreign funding because of its high land distribution accomplishment, making it an ideal model project in the implementation of the Comprehensive Agrarian Reform Program (CARP).

As of October 1991, land distribution in Jala-Jala reached 2,736 has for 1,753 ARBs, or 95% of the land distribution target of the municipality.

The DAR is also eyeing foreign funding for the agro-industrial development areas (AIDAs) and the 26 strategic operating provinces (SOPs) of CARP.

The DAR is finalizing the list of AIDAs and SOPs to be presented at the Philippine Assistance Program (PAP) pledging session in June in Paris, France.

Mr. Garilao said the final list of projects will be synchronized with the overall program of President Ramos, which also has a specific rural development plan.

Japanese Pledge Strengthened Economic Ties

HK2502032593 Manila THE MANILA CHRONICLE in English 25 Feb 93 p 9

[Report by Lorelei de Belen and Maricor Zapata]

[Excerpt] Visiting Japanese Government and business leaders yesterday promised their Philippine counterparts to favorably resolve the widening trade gap between their two countries.

Representatives from the Japanese Government and the Keidanren, Japan's chamber of commerce, are in Manila for the 15th joint meeting of the economic cooperation committees of Japan and the Philippines to find ways to strengthen their economic ties.

Hidesuke Murakami, managing director of Marubeni Corp., said Japan's expressed support for the Philippines' ongoing industrialization should contribute to the development of their bilateral relationship.

"Strong efforts toward this end are already underway on many different fronts," he said.

Japan and the Philippines would especially work to expand Philippine exports to Japan. Philippine import receipts have consistently overshadowed those of Japan.

Murakami said among the things that have to be done would be to identify the goods Filipino exporters have to develop for the Japanese market through Japanese government and private sector-supported international exhibitions.

He said the Japanese Government is currently promoting technology transfer, on-the-job training, and programs with long-term focus.

However, Murakami warned that under the existing export-import structure, an increase in Philippine exports to Japan would result in a subsequent rise in imports of intermediate goods.

"This will continue to aggravate the current trend of an expanding trade deficit with Japan," he said.

Japan is the Philippines' second-largest trading partner after the United States. Trade between the Philippines and Japan, however, has always been in Japan's favor.

From 1989 to 1991, Philippine exports to Japan was $5 billion with imports from Japan at $6.6 billion.

The trade deficit of $2.1 billion accounted for the bulk of the country's total trade deficit during the three-year period.

To combat the situation, Murakami said sound development of the Filipino domestic parts industry is needed to increase domestic procurement and help increase the local content of Philippine-made goods.

"We believe that the Japanese technology transfer promotion policy will make a valuable contribution toward reaching this important goal," he said. [passage omitted]

MNLF, MILF Said Stronger, NPA 'Weakening'

HK2202114893 Quezon City ABC-DWET Television in Tagalog 1000 GMT 22 Feb 93

[From the "ABC-DWET News Program"]

[Text] The Moro National Liberation Front [MNLF] and Moro Islamic Liberation Front [MILF] are increasing progressively in force in Southern Mindanao while the Communist Party of the Philippines-New People's Army [NPA] is weakening. Lieutenant General Romeo Zulueta, Southern Command Chief, made the assessment in a news briefing in Zamboanga City yesterday. Zulueta said joint MNLF and MILF forces grew by 6 percent from 1991 to 1992. Military data showed that the estimated number of Muslim rebels in 1992 was more than 21,000. The data also indicated a 24 percent decline in the NPA membership.

Congress Reschedules ARMM Elections

HK2302131693 Manila Manila Broadcasting Company DZRH in Tagalog 1100 GMT 23 Feb 93

[Text] The Senate and the House of Representatives have decided to reschedule the Autonomous Region for Muslim Mindanao [ARMM] elections for 25 March.

In a bicameral conference committee meeting, The Lower House composed of Congressmen Tito Espinosa, Simeon Datumanong, and Macabangkit Lanto, as well as the Senate panel, which included Senators Vicente T. Sotto III, Teofisto T. Guingona, Heherson T. Alvarez, and Santanina Rasul, have decided to reset the elections to 25 March.

The committee has also agreed to hold future ARMM elections on every second Monday of February but added the dates should not fall within the month of Ramadan. The Senate panel opposed granting the Commission on Elections the power to schedule ARMM elections in case election dates will fall on the Ramadan month.

Ramos Orders Transfer of Interpol Liaison Role

HK2402142293 Manila THE MANILA CHRONICLE in English 24 Feb 93 p 7

[Text] President Ramos yesterday replaced the National Bureau of Investigation [NBI] with the Philippine National Police [PNP] as the lead agency in the local liaison office with the International Police.

The Manila liaison center is called the National Central Bureau of the International Police (Interpol NCB).

PNP chief Dep. Dir. Gen. [Deputy Director General] Raul Imperial was named by Ramos as Interpol NCB chairman through Memorandum Order 92, dated February 15.

The same order designated the chiefs of the NBI, Customs Bureau, Internal Revenue Bureau and "of other agencies to be determined by the National Law Enforcement Coordinating Committee" as the other members of the Interpol NCB.

Under the current set-up, the Interpol NCB is a subcommittee of the national coordinating committee.

The President said in countries with police fully or partially centralized, Interpol policy dictates the role of the NCB "is assumed by the controlling body or headquarters of the (national) criminal police."

Ramos Says Military Not To Be Reshuffled

HK2502025993 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 24 Feb 93

[Text] President Fidel V. Ramos has assured Armed Forces of the Philippines [AFP] officials that he will not effect a reshuffle or reorganization within military ranks in the near future, in contrast to what he is doing with the Philippine National Police. Ramos gave the assurance during a visit to Camp Aguinaldo, where he held a dialogue with some high-ranking armed forces officials in order to remove fears regarding reports that he will also reshuffle military ranks.

Presidential Spokesperson Annabel Tecson Abaya said the president's visit to Camp Aguinaldo can be deemed a homecoming for the former general of the AFP and has served as a good opportunity for Ramos to remind officials and members of the AFP that they should maintain discipline and give priority to serving the motherland even more since the country is in a period of economic recovery.

[Begin Abaya recording in English] The meat of the meeting was a discussion on the importance of discipline and professionalism. The president said the AFP has the commitment to be able to assure that professionalism and discipline are enforced. And then, afterward, the president also emphasized that the AFP has the goal to become a partner in the pursuit of national growth and development. [end recording]

Ramos Speaks at EDSA Revolution Celebration

HK2502135193 Manila DZXL Radio Mindanao Network in Tagalog 0723 GMT 25 Feb 93

[Speech by President Fidel V. Ramos during the seventh anniversary celebration of the February 1986 revolution at the Epifanio delos Santos Avenue Shrine, Manila—live, in English; monitored in progress; passages within slantlines in Tagalog]

[Excerpts] ...Juan Ponce Enrile from Cagayan, the former minister of defense, a senator and now a Congressman representing the North; Senator Butz Aquino, /he is one of the original heroes here at Epifanio delos Santos Avenue [EDSA];/ Monsignor Father Nikko Bautista; Senate President Ed Angara; Speaker Joe de Venecia; Senator Nina Rasul; Senator Kit Tatad; Chairman De los Reyes of the executive committee; [National

Economic Development Agency] Secretary Habito; Mrs. Ming Ramos, your first lady and mine [applause]; /our other honored guests; other veterans of EDSA; my beloved countrymen, good afternoon. Good afternoon to those from Lingayen. [applause] Good afternoon to my brothers and sisters from the Visayas region. [applause]/ [passage in unrecognized dialect omitted] Peace be with you. [applause]

/We are celebrating today the seventh anniversary of the peaceful revolution at EDSA. Once again, we, my countrymen, commemorate the courage displayed by the Filipino people in its effort to restore democracy. The EDSA revolution is a shining chapter in the history of the Filipino people, filled with inspiration not only for our fellow Filipinos, but also for all nations who seek peace and democracy./

/The names our heroes at EDSA are forever written in the annals of our history as an independent nation. They are now here in the middle of EDSA. Here and now stand the defenders of our freedom—the ordinary Filipino. You, who are here today: Soldiers and policemen of our government; valiant representatives of the church; the veterans; teachers; youth; workers; and all of you who are now here in the middle of EDSA./ [passage omitted]

EDSA is very much alive in the hearts of many, many of us, and that is manifested by the numbers of people, young and old, that are here this afternoon. [applause] Like a glowing ember, EDSA continues to provide people with inspiration as we tackle the business of recovery, growth, and national development. What is needed is to fan the embers so that the flames can brighten and lead. And this is precisely the reason for our gathering here today. We are gathered here so that we may remember and live the spirit of EDSA.

My countrymen, only those who were too young to remember or who are too short-sighted fail to grasp the significance and lessons of EDSA. But for those of us who staked our lives and our futures for the cause of freedom, we can never abandon its meaning nor forget what EDSA stands for. [applause]

Yes, we won that battle at EDSA in February of 1986, but we have yet to win through our united effort the war against poverty, inequity, and injustice. The three great branches of government—the executive, legislative and judiciary—must themselves tread the road of unity with our people. They must commit to share not just political power, but political responsibility. Only then can they begin to reflect and support by means of public policy the aspirations of our national community. The people that won the day for us at EDSA should now be redefined [as heard] to enable us to face up to the adversaries and tyrannies even more oppressive than the one we overthrew in 1986. Now we must address mass poverty, crime, injustice, inequality, the lack of discipline, and underdevelopment. Once again we must stand up here at EDSA and throughout the whole country to the challenge and be heroes to ourselves and to our children. At EDSA, we won our political freedom. Now, we must work to win our economic liberation. [applause] [passage omitted]

The Filipino now is striving for competitiveness, for Filipino competitiveness is a major strategy that we are currently pursuing to realize our economic goals. We need to make world class products with world class human talents. By expanding markets and opportunities, we shall be assured of more jobs, higher labor skills, managerial techniques, and other innovations that will benefit our industries and our people.

We must remove the blinders that force us to look inward all the time. Rather, we must view the world in its entirety and find our place in the global scheme of things. [passage omitted]

The medium-term Philippine development plan will be our development road map for the next six years towards achieving, as I see, our newly industrializing country status by the year 2000. Henceforth, our battle cry shall be Philippines 2000. [applause]

This is plan shaped on the basis of our revered democratic processes, present realities, and future opportunities. It is your plan, our plan, and it reflects our common dreams and aspirations. It is the spirit of EDSA captured in a far-ranging document which concretizes our vision for a better Philippines.

And so, let me now present to you, my countrymen, this plan which was fashioned with interests of the Filipino masses at heart, that we may see the dawning of a new day and a new beginning for all. [passage omitted]

/Finally, my countrymen, the victory we have been craving for is no longer far away. That victory started seven years ago./ Together we planted the seeds of democracy because that was what was right and just.

But freedom rests in unity, in peace, and in trust. The story of EDSA must continue to be written every day, with the same unfaltering wisdom of faith, performance, and peace. Rebuilding our country, our hopes, and our future demands courage and faith in the face of constant challenge. Together, then, let us find the courage and the faith to realize the destined greatness of this nation.

EDSA taught us our unified strength. It taught us that democracy is stronger than tyranny. It made us proud to be Filipinos.

But I say again: As we pray let us also perform, and as we perform let us look up to the good Lord and pray and thank him. [applause]

/To the millions who are heroes at EDSA, you brothers and comrades, and to all who are with us and who believe in the hope it brings, thank you very much./ See you here at EDSA on February 25 1994 and all the years after that. [cheers]

Let's advance the spirit of EDSA. Long live EDSA. Long live the republic. Long live the Filipino. Thank you all. [applause]

Thailand

Government Rejects Russian MiG Purchase

BK2502035593 Bangkok BANGKOK POST in English 25 Feb 93 p 11

[Text] Deputy Foreign Minister Surin Phitsuwan said yesterday that Thailand will not buy Russian MiG-29 jet fighters. Thailand cannot accept Russia's proposal to pay off its debt for 500,000 tons of Thai rice with the jets, Dr Surin said. The MiG-29 is not compatible with the Thai Armed Forces and is complicated to repair and manintain. However, Thailand would consider accepting Russian crude oil or jewels to pay off the debt, he said.

Impact of Intellectual Property Failures Noted

BK2502021593 Bangkok THE NATION in English 25 Feb 93 p B1,11

[Text] The United States is likely to keep Thailand on its priority foreign country (PFC) watchlist for possible trade retaliation as a result of inadequate intellectual property protection in this country, said a senior source in the US Embassy who requested anonymity.

With Bill Clinton as the new US president, who has just promulgated an ambitious economic policy package aimed to reduce the US deficit and restore American competitiveness, Thai officials have expressed deepening fears that the Clinton administration may get tough on Thailand.

While Thailand has been on the PFC list for the last two years, remaining on the list for the third consecutive time may be the last straw. Thai officials are concerned that unlike his predecessor Republican George Bush who was inclined to negotiate, the Democrat Clinton may well choose to retaliate first and talk later.

This has prompted the Commerce Ministry to set up a task force whose sole role is to monitor and crack down on copyright violators. A big raid in Nonthaburi was a case in point.

In addition, Deputy Prime Minister Supachai Phanitchaphak has projected a decidedly conciliatory posture when talking about potential US trade action on inadequate Thai protection of copyright. Commerce Minister Uthai Pimchaichon has also emphasized that bilateral negotiations are preferable to trade retaliaton.

Such conciliatory tones stand in stark contrast to past Thai ministers in charge of economic affairs, including former Commerce Minister Amaret Sila-on who rejected US demands for a change in Thai law.

Yet the willingness to talk and better enforce copyright protection seems insufficient to eject Thailand from the PFC list.

Recognizing changing signs from the Commerce Ministry, the embassy official said enforcement of the copyright law is the crux of the problem.

The source added that, while Thailand's piracy of audio and video tapes are being tackled by the Thai authorities, new problems have emerged, such as the increasing violations of compact discs.

"The market shares of these pirated products haven't changed," the source said, acknowledging that there is a greater effort toward enforcement by the Thai authorities. "The piracy rate is the same."

He declined to go into specifics as to why Thailand should remain on the PFC list, but noted that the continuation of the PFC status will "not be stronger or weaker".

Should the Clinton administration, through its US Trade Representative decide to enact trade retaliation on Thailand, Thai products may lose previous low-tariff benefits enjoyed under the Generalized System of Preferences (GSP).

Thai officials worry that GSP benefits are not the only items at stake. They fear the Clinton administration imposing additional quotas on leading Thai exports such as gems and jewelery, and textiles.

Officials from the Commerce Ministry and elsewhere in the Thai government watched with alarm as the Clinton administration recently took an aggressive stand against the European Community by raising tariffs on EC steel.

Chuan Meets SRV Deputy Prime Minister

BK2502094393 Bangkok Radio Thailand Network in English 0000 GMT 25 Feb 93

[Text] Vietnam confirms its cooperation with Thailand and other countries in this region, Vietnamese Deputy Prime Minister Nguyen Khanh this week called on Prime Minister Chuan Likphai after taking part in a seminar on "Towards One Southeast Asia in the 21st Century" in Bangkok. The Vietnamese deputy prime minister praised Thailand's foreign policy, especially on the Thai-Vietnamese relations, while Prime Minister Chuan said such close cooperation needs to be developed.

Mr. Nguyen Khanh also told the prime minister of Vietnam's deep appreciation for the royal visit paid to that country by their royal highnesses Crown Princess Maha Chakkri Sirinthon and Crown Prince Maha Wachiralongkhon. The prime minister also congratulated Vietnam for her economic growth and cooperation in the international and regional projects which benefit people in the entire region, for example, the Mekong basin development project. Mr. Khanh said Vietnam will carry on the cooperation with all countries to promote peace and progress in the region. He wished Thailand and Vietnam will develop existing cooperation, such as on trade and tourism. Prime Minister Chuan said Thailand has high potential to be the gateway into Vietnam and Indochina.

On this occasion, the Vietnamese deputy prime minister officially invited Prime Minister Chuan Likphai to visit Vietnam. The Prime Minister accepted the invitation. The date will be fixed later.

Envoy: Laos To Give 'Priority' to Thai Relations

BK2502015393 Bangkok BANGKOK POST in English 25 Feb 93 p 5

[Text] The new Laotian government will carry out a "more active and expansive" foreign policy which gives priority to the improvement of relations with Thailand.

Laotian Ambassador Bounkeut Sangsomsak said yesterday the government's policy was unveiled by Prime Minister Gen Khamtai Siphandon in Vientiane on Monday during the first working session of the 85 seat National Assembly.

The assembly endorsed Gen Khamtai's decision to restructure and reshuffle the cabinet on the same day.

The new line-up saw Somsavat Lengsavat replace Phoun Sipaseut as foreign minister.

Mr Phoun remains deputy prime minister in charge of foreign affairs. Ambassador Boonkeut said he and Mr Somsavath would work out details of implementing the policy.

Although "more active and expansive", the foreign policy of the new team nevertheless draws on that of its predecessor, the ambassador said.

This means, in giving priority to relations with Thailand, Laos will not overlook its other neighbours.

The relationship with Thailand is based on a long established history shared cultural traditions and the two countries' geographical proximity, he said.

Mr Somsavat is well known on the international circuit, having served as Laos's ambassador to Bulgaria. He also accompanied the late President Kaysone Phomvihan on many of his foreign trips, said Ambassador Boonkeut.

Mr Somsavat is in his early 50s and was minister of the cabinet of the council of ministers when Mr Kaysone was state president.

Mr Kaysone became state president in August 1991 after steering the country as its prime minister since the communist takeover in late 1975.

Mr Somsavat is likely to appoint Former Deputy Foreign Minister Souban Salitthilat as one of his deputies because of his long experience in diplomacy, an observer said.

At the same national assembly session, which began on Saturday and is due to adjourn today, Gen Khamtai also announced a new economic strategy, said Ambassador Boonkeut.

The prime minister's economic strategy is to be effective from now until the year 2,000. This means the Third Economic Development Plan currently being applied and due remain in effect until 1995 will have to be adjusted accordingly, he said.

The new strategy confirms agriculture and agro-based industries as top priority areas.

It also opens prospects for more cooperation between Thailand and Laos because the new government will emphasise improvements in infrastructure, especially transport systems and the use of hydropower.

The ambassador said he had received a concrete response from the Thai Government on Laos's request for help in constructing five national highways.

Laos also needs cooperation from Thailand in building dams to generate power.

Ambassador Boonkeut said he was confident the new government would achieve the goals set out by the prime minister. "This is a government which comprises the experience of senior ministers and the wisdom of the younger generation," he said.

Commentary Views 'Extensive' Cabinet Changes in Laos

BK2502013793 Bangkok THE NATION in English 25 Feb 93 p A6

[Commentary by Kawi Chongkittawon: "Laos: Looking to fraternal comrades"]

[Text] Vientiane's most extensive shake-up of the Laotian Cabinet announced late Monday is younger and more ideologically committed, reflecting the need to tighten domestic matters while assuring ongoing economic reforms would not lose momentum.

With Nouhak Phoumsavan as president, Khamtai Siphandon as prime minister and the new line-up, Laos is trying to balance the economic reforms amidst growing pressure for more political liberalization.

The death of Kaysone Phomvihan late last year allowed the drastic changes within the top echelons and also for the consolidation of the so-called "ideological oriented" leaders.

After years of rather liberal economic measures and limited political reforms, Laos is now embarking on a similar road taken by its communist neighbours of China and Vietnam, namely the continuation of a market economy and at the same time assuring political stability at all cost.

The elevation of Somsavath Lengsavath as the new foreign minister was not unexpected among Vientiane-based diplomats and observers.

With Somsavath as a new foreign minister, Laos' relations with fraternal friends of Vietnam and China would be further strengthened while ties with Thailand and Japan as well as other Western countries would be economically "correct."

One diplomat said that future Thai-Lao relations remains crucial but they will be secondary to ties with Vietnam and China. The diplomat pointed out that the two communist neighbours' economic development and increased contacts with the West have automatically increased their influence on Laos in addition to their existing party-to-party links.

Apparently, the fraternal link, which has been severely shattered by the collapse of communism in Europe, has received a boost lately due to growing common concern among Laos, Vietnam and China of negative political consequences that could threaten their societies if they were fully liberalized economically.

"The best way to save themselves from this phenomena is to stick together as close as they can," said a Western expatriate who currently lives in Vientiane.

The mass media—currently having limited freedom in the country—are likely to take the toll as the Laotian Government moves to supervise closely all news programmes. New cooperations in mass media ventures with foreign countries could be curbed.

Furthermore, new people who are less open-minded, have been brought into the Ministry of Information and Culture. This includes a new editor-in-chief of PASASON, the party's organ. The relatively liberal PASASON chief Buaban Volakhoun is expected to be replaced by Mounkeo Olaboun, editor of ARUNMAY, a popular magazine published by the Pathet Lao Party.

In the past few months, the party's policy over the mass media has been reviewed and reassessed reflecting thorough changes in key positions. It is likely that Gen Osakan Thammatheva, who was named deputy minister of information and culture, will continue to play an important role in guiding the state-owned mass media in this transitional time.

The recent verbal flare-up of between [as published] Thailand and Laos over insulting remarks made by a well-known Thai singer over military-run TV Channel 5 against Laotian women and the reaction by Vientiane—the strongest since 1988—was a good indication of changing moods between the two countries.

An observer, who monitors Laos, said the strong Laos reaction, after a four-year lull since Ban Romklao [Thai-Lao border dispute], shows the true sentiment of Thai-Lao relations. Other than making progress over economic issues, nothing else has changed and attitudes still remain much the same between the peoples of both countries, he said.

With the Thai-Lao Mitraphab (Friendship) Bridge due to be completed next year, the nature of this bilateral ties is taking a new meaning though not necessarily for the better, according to this observer.

In the past three years, Thailand had successfully done away with old problems that had hurt bilateral ties such as Bangkok's cutting of support of the anti-Vientiane resistance based on Thai soil, lift ban on strategic goods and solving border conflicts. However, the new bridge will bring into Laos Thailand's materialistic culture, which is considered a perfidious form of imperialism.

Viewed from this context, it is understandable why Laos is seeking new rapport from all fraternal friends. China has been generous so far although Beijing would not be able to substitute the much needed foreign assistance from Japan and the West. Beijing-Vientiane ties are stronger now, especially after the normalization of relations between China and Vietnam in 1991.

Vietnam has continued to help with the improvement of transportation networks in Laos and has allowed the landlocked country to have access to the neighbouring country's coastal areas for import and export of vital goods and commodities.

Under the new leadership, Laos is moving cautiously with ongoing economic reforms, trying to maintain the level of foreign assistance and at the same time sustaining Thai-Lao ties. This new Cabinet will also go slow in international economic cooperation, especially economic integration with Asean.

After a period of long struggle against the French and US-backed Royal Lao Government, the Pathet Lao Party won, in the wake of communist victories in neighbouring Vietnam and Cambodia. Now the fear of politicil subjugation by Thailand, could prove to be quite a handful to handle.

It is for this reason that tighter domestic control under the party's guidance is necessary in months and years to come, unless their fears can be allayed otherwise.

Official on Customs Raid Across Malaysian Border

BK2402141493 Bangkok Voice of Free Asia in Thai 1030 GMT 24 Feb 93

[Text] Niphon Bunyaphattharo, the deputy permanent secretary for interior and director of the Center for Administration of Southern Border Provinces, referred to the incident near the Thai-Malaysian border where Thai officials entered a disputed area to seize smuggled goods and the incident was played up by Malaysian papers as Thai violation of Malaysian territory. He said he would bring the incident up for discussion with the chief minister of Perlis soon. He said the incident was more a result of a misunderstanding than any real problem. Misunderstanding is not unusual; even neighbors could quarrel. However, the nature of the incident between two countries will have to be resolved before it could escalate.

According to Niphon, although the arrest of smugglers involved entry into Malaysian territory, there was coordination before the arrest was made and customs officials of both countries cooperated in the arrest. The Malaysian authority has not made an issue of the incident. Niphon said the disputed area became an issue during 1976-1987 and has not been resolved to date.

Niphon said Thai authorities wanted to take action against the border area where an undesirable element gathered and narcotics and smuggled goods were hidden but faced the problem of uncertainty over to whom the area belonged. Thai authorities believed that suppression campaign should be conducted in the area to prevent it from expanding into a large gathering place for undesirable elements and a serious problem in the future.

Burmese Officer To Work for Release of Captured Thai

BK2402144793 Bangkok Army Television Channel 5 in Thai 1200 GMT 24 Feb 93

[Text] The meeting of the Thai-Burmese Local Border Committee, held in Myawadi, discussed the seizure of Thai villagers. The 357th Light Infantry Regiment, situated opposite the Thai village of Ban Rim Moei, was the site of the meeting. Colonel Suwit Maenmuen, the commander of the 34th Thai Control Team, headed the Thai delegation while Lieutenant Colonel Tun Tun Lay, the Burmese regiment commander, led the Burmese side. The two sides brought up the 21 February Burmese capture of Thai villagers in addition to other topics on the agenda.

Lt. Gen. Tun Tun Lay said he had instructed the soldiers in the area to release the captured Thai villagers and prohibited the receipt of any ransom with the hope that the Thai side would reciprocate by releasing the two Burmese military officers. He did not know where the other five Thai villagers were being held. He said he would try to find out for goodness' sake. He said it was wrong for the Burmese soldiers involved to demand ransom for the detained Thai and, therefore, he would take action even though the area was not under his responsibility.

Burma Agrees To Exchange Villagers, Troops

BK2502014193 Bangkok BANGKOK POST in English 25 Feb 93 p 6

[Text] Thailand has agreed to return two Burmese soldiers arrested on Saturday on arms charges in exchange for the release of five Thai villagers being held by Burmese troops.

During the day-long negotiations between Thai and Burmese officials, the Burmese side insisted that they would not release the Thai villagers until Thai authorities freed the Burmese soldiers arrested for possessing two hand grenades.

The Burmese pair is now under the custody of the 34 Task Force Unit.

A border source said that authorities in Rangoon had ordered the Burmese troops to release the five villagers at 5.30 p.m. yesterday.

Vietnam

Radio Comments on Relations With ASEAN

BK2402134393 Hanoi Voice of Vietnam in English 1000 GMT 24 Feb 93

[Text] Malaysian Minister of Finance Anwar Ibrahim said that the U.S. should follow France in improving the relations with Vietnam. At the conference held recently in Bangkok on the relation between Vietnam and other Southeast Asian countries, many ASEAN government officials proposed measures to enable Vietnam to join ASEAN. This is our radio opinion on the relations between Vietnam and ASEAN member countries:

The proposal made by ASEAN government officials showed their concern over and their wish to have cooperative relations with Vietnam. This is also the wish of almost all ASEAN state leaders.

Speaking at the additional forum on orientations for Southeast Asia in the 21st century on Tuesday, the Thai Prime Minister Mr. Chuan Likphai called for the strengthening of relations with Vietnam. He said it is essential for the 21st century. it might be the reason for Thailand's promotion of its relations with Vietnam recently. The Thai crown prince and Thai princess had made official visits to Vietnam in order to push relations between the Thai royal family and Vietnam and the relations between the two countries.

Meanwhile, many delegations of Thai businessmen have paid visits to Vietnam. Early this week, Mr. Asa Sarasin, executive manager of the Thai Phadaeng Industrial Company led a mission to Vietnam. During his talks with the Vietnamese Premier Vo Van Kiet, he affirmed Thailand's full capacity to develop cooperation with Vietnam. He highly valued the new step of development in the relations between the two countries and affirmed that Vietnam will be prosperous, stable, and have a worthy position in Southeast Asia and the rest of the world.

Head of the Malaysian Government Mr. Mahathir Mohamed also affirmed that his government really wants to develop close relations with Vietnam.

The Vietnam-Singapore relations as asserted by international observers are developing very quickly. Up to now, trade turnover between the two countries has surpassed that between Japan and Vietnam, and Singapore is becoming the biggest trade partner of Vietnam. Over the last one year, since the Singaporean Government lifted its trade embargo against Vietnam, the trade turnover between the two countries has met the big leap, reaching $1.5 billion. Thirty Singaporean companies have invested about $100 million in 35 projects in Vietnam.

Indonesia and the Philippines have also signed with Vietnam many important agreements on economic cooperation. Up to now, Vietnam has signed with ASEAN member countries more than 30 agreements with the aim of promoting bilateral and multilateral economic cooperative relations.

Note of worthy is that these opportunities have helped Vietnam and ASEAN member countries settle disputes and pending problems in the period of mutual understanding and mutual respect for one another's ultimate interest. It is held that Vietnam, Malaysia, Indonesia, and Thailand have shared the same view in settling regional problems and the overlapping areas which can be considered an example for reconciliation in international relations.

Proceeding from this reality, many people in ASEAN countries have voiced their determination to push cooperation with Vietnam.

Hijacker Sentenced to 20 Years' Imprisonment

BK2502055693 Hanoi Voice of Vietnam Network in Vietnamese 0500 GMT 25 Feb 93

[Text] On 24 February, the Supreme People's Court held a preliminary and also final trial of Le Van Tong, also known as Ly Tong, on hijacking charges.

Mr. Mai Ngoc Trinh, chief criminal judge of the Supreme People's Court, presided over the trial; and Mr. Le Xuan Duc, senior inspector and head of the Supreme People's Court's Institute of Appellate Adjudication, acted as a prosecutor.

At the trial, Le Van Tong confessed to his air-prirating action. The Adjudication Council noted that the hijacking action committed by Le Van Tong had posed a great danger to the lives of passengers as well as to the property and lives of the people in the city. Le Van Tong's action constitutes a grave violation of not only our state law but also of those stipulations in various international conventions on civil aviation security to which Vietnam has been a signatory.

The adjudication council sentenced Le Van Tong to 20 years' imprisonment on hijacking charges. In addition, the court also ordered him to pay 500,000 U.S. dollars and 7 million Vietnamese dong as compensation for material losses caused to the Vietnam Airlines General Corporation.

Party Paper Comments on Education Renovation

BK2502073593 Hanoi Voice of Vietnam Network in Vietnamese 2300 GMT 22 Feb 93

[Text] Under the title "Developing Education and Training to Increase Vietnamese Human Resources," today's issue of NHAN DAN newspaper writes:

The fourth plenum of the party Central Committee issued a resolution on continuing education and training renovation to concretize the major lines of the seventh national party congress. This is the first resolution for this domain in the renovation era. It comprehensively analyzes the realities and main causes of the current education service and presents guiding viewpoints, major targets, policies, and measures to accelerate the education and training undertaking.

The editorial says: This is a worthy concern. Today, even more than in the past 10 years, educational and training efforts, although overcoming difficulties and making progress and developments, in general have not met the demand of the renovation cause as well as they have met the needs of socioeconomic development in the new period. The goal for complete development of the education undertaking in the new stage is to create profound reform in the systematic structure of national education and educational targets, contents, and methods as well as the construction of a stronger education service. The most important task is heightening the dynamism and quality of the contingent of teachers and the improvement of working conditions in the education service.

The education system must match renewing the socioeconomic system and the obtainment of a current civilization with the inheritance and development of national tradition. It must create people of independence, dynamism, and creativeness with better knowledge of culture, science, and technology. It must produce people with good working skills, patriotism, healthy lifestyles, and a sound physical capacity to meet the requirements of constructing socialism and national protection.

The development of education service in the new stage is aimed at quickly increasing Vietnamese human resources with a much higher working capacity. The education service is to concentrate on popularizing the education service together with increasing vocational training, and teaching words along with human ethics. It will meet the demand of studying everybody with many forms of education and training service. It will have separate policies suitable to different people in different localities.

The editorial in NHAN DAN emphasizes that the education undertaking is an element of the social infrastructure and is obtaining a close bond with every family and individual. All families want their children to have a good education and become good children, excellent students, and exemplary citizens. Knowing how to arouse the tradition of fondness of study and respect for teachers in every social community as well as in each family is a practical contribution to the undertaking for education development in the new stage.

Trade Minister Attends Export-Import Conference

BK2402103393 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 21 Feb 93

[Text] In Hanoi from 19-20 February, the Ministry of Trade held a conference on 1993 export-import activities. Minister of Trade Le Van Triet attended and addressed the conference.

The Minister highly appraised export-import activities in 1992. He said: the nation attained exports of $2.5 billion or an increase of 19.8 percent compared to the previous year. Imports increased by eight percent to $2.45 billion compared to 1991.

The increase in value of 1992 exports was attributed to the dynamism of the new export-import system. Thanks to the government decree no. 114-HDBT and other legal documents issued in 1992 permitting the export-import of diversified goods and the granting of more licenses for these activities, various business establishments have been able to directly expand their markets. In 1993, the nation aims to achieve exports worth $3 billion and imports worth $2.8 billion.

To attain this goal, the conference discussed measures to improve the export-import system, and amend and supplement some articles of decree no. 114-HDBT. The conference contended that some obsolete regulations in the export-import system should be amended or abolished to suit current business conditions.

Most of the conference delegates agreed with the Ministry of Trade on the list of prohibited export-import goods to be submitted to the government for approval as well as the list of export-import merchandises that requires a more effective management system. Regarding the forms of business and export-import activities at the border areas, many delegates suggested that permission be granted for activities such as the temporary import and re-import of some kinds of goods, the temporary export and re-export of some merchandise, as well as the transit of some specified goods. This is because these activities are in conformity with international practices and that if they know how to exploint them they will benefit well economically.

Regarding the 17 kinds of imported consumer goods the state has banned temporarily, some of them have been permitted to be imported again with the exception of sugar which is plentiful at home now and other items such as old clothes and used electronic appliances. Many delegates suggested that when formulating new policies, the state should be careful in their deliberations so as to help various business establishments avoid losses and to seal loopholes that may be used by speculators and opportunists.

Most of the conference delegates contended that an integrated management system should be imposed on various kinds of goods such as rice, fuel, and coffee at production sites. This is aimed at preventing confusion caused by the competitive trading system and at avoiding pressure, which may be caused by foreign countries. It is necessary for export-import units to set a uniform standard in the production and supply of goods to the markets at agreed upon prices. Efforts must be made to encourage localities with great potential to produce more goods. For provinces in the Red River Delta, they should be encouraged to invest more in scientific-technological research to produce new rice varieties and to improve the intensive cultivation methods so as to increase production for export.

The conference also discussed measures to export textile and garments to EC and Canadian markets in 1993.

The conference delegates also discussed the 1993 export-import program. This is being finalized by the Ministry of Trade for submission to the Government, who will in turn formulate it into a proper export-import policy in conformity with state management work. This will effectively serve our export-import activities, especially when we have not been able to promulgate the law on trade.

Nguyen Khanh Receives Visiting AIT Chief

BK2402041693 Hanoi Vietnam Television Network in Vietnamese 1200 GMT 16 Feb 93

[Text] In Hanoi on 16 Febraury, Deputy Prime Minister Nguyen Khanh received a delegation of the Asian Institute of Technology [AIT] led by its president, Alastair North, currently on a working visit to Vietnam.

Also attending the function was Pham Minh Nhac, deputy minister of education and training. On behalf of the AIT delegation, Mr. Alastair North thanked the Vietnamese Government for its hospitality and assistance which enabled his delegation to visit and work effectively with organizations concerned in Vietnam. The purpose of the AIT delegation's visit is to enhance cooperation with Vietnam in the fields of research, training, and fostering the advancement of scientific-technological cadres as well as industrial, agro-industrial, managerial, and education-training cadres of Vietnam.

Mr. Alastair North expressed the hope that with the establishment of the AIT Training and Research Center in Vietnam and with lessons and experience drawn during cooperation projects in the past, relations between the AIT and Vietnam will be further developed and expanded.

Deputy Prime Minister Nguyen Khanh highly commended the AIT for its cooperation and positive contributions to training and fostering the advancement of Vietnamese scientific-technological, industrial, and managerial cadres. The deputy prime minister asserted that in implementing the renovation undertaking and in building the nation, the training and encouragement of scientific-technological and industrial cadres is of significant importance. He expressed the hope that cooperation between the Vietnamese education-training sector and the AIT will be further developed.

Foreign Minister Comments on ROK Visit

BK2302075193 Hanoi Voice of Vietnam in English 1000 GMT 17 Feb 93

[Report on "recent" interview with Foreign Minister Nguyen Manh Cam by Voice of Vietnam radio correspondent]

[Text] Asked about the results of his official visit to the Republic of Korea, he said:

[Begin Nguyen Manh Cam recording in Vietnamese fading into English translation] In the Republic of Korea I had formal meetings with officials in the Government of the Republic of Korea, such as President No Tae-u, President-elect Kim Yong-sam, Foreign Minister Yi Sanyok, and other relevant ministers. I had contacts with leaders and representatives of big corporations and companies, which have or are going to have business projects in Vietnam.

During the talks, both sides affirmed many similar points and rich potentials which can complement each other's initial development.

The Republic of Korea's leaders and business circles have set great store by and wish to develop friendly and cooperative relations with Vietnam. They are ready to share with Vietnam all strategies of success and failure to contribute to economic development. [end recording]

Foreign Minister Nguyen Manh Cam said that with nonrefundable aid and technical assistance, the Republic of Korea helps Vietnam carry out economic feasibility studies, set up job training center, and train specialists. The Government of the Republic of Korea gave Vietnam $50 million in the first stage of ODA, Overseas Development Aid. It will consider further aid based on projects put forth by Vietnam and will give Vietnam loans worth $100 million under priority conditions to import equipment and materials.

He also said both sides signed an agreement on economic and technical cooperation and agreed on an early conclusion of agreements on investment encouragement and protection; on avoidance of double taxation; and on trade, aviation, and marine transport.

In a broader overview, Foreign Minister Nguyen Manh Cam said that since diplomatic relations were established, investment capital and trade turnover of the two countries have developed rapidly. Trade exchange in 1992 reached U.S.$500 million, doubling that of 1991. In investment capital, the Republic of Korea has risen up from the ninth to the fifth place in the order of foreign investors to Vietnam. In the stage, it is certain that bilateral relations—especially in the fields of economy, trade, science, technology—will rapidly develop with high efficiency.

President, Premier Congratulate Lao Counterparts

BK2402142793 Hanoi VNA in English 1402 GMT 24 Feb 93

[Text] Hanoi VNA Feb.24—President Le Duc Anh today extended his congratulations to Nouhak Phoumsavan on his re-election as president of the Lao People's Democratic Republic.

The congratulatory message expressed firm belief that the Lao people, under the leadership of the Lao People's Revolutionary Party and the Lao president, will gain still greater achievements in the current process of renovation, construction and defence of a country of peace, independence, democracy, unity and prosperity.

The Vietnamese leader also wished the special friendship, solidarity and all-sided cooperation between the two states and peoples of Vietnam and Laos constant consolidation and development.

Prime Minister Vo Van Kiet, for his part, congratulated Khamtai Siphandon on his reappointment as prime minister of the Lao People's Democratic Republic.

Army Factories Produce Consumer Goods

BK2102150393 Hanoi VNA in English 1452 GMT 21 Feb 93

[Text] Hanoi VNA Feb. 21—Army factories began producing consumer goods in the eighties but on a small scale. The change began in 1991 and especially in 1992, when army factories massively broadened their consumer goods industries.

Many of their products have been granted quality certificates by the government.

Most noticeable are electric and mechanical products, especially electric fans trade-marked "Thien Nga" (Swan), "Thang Tam" (August) and Sapa which won gold medals at the 1992 international industrial goods fair. Each year, the army factories turn out tens of thousands of fans.

Besides, army factories also manufacture engineering products for daily use such as bicycle parts, oil cookers and electric appliances such as electric meters and fluorescent lamp ballasts. A number of factories began assembling televisions and radio-cassettes. Others are making garments or processing agricultural produce and foods.

Doan Khue Attends Armed Forces Economic Conference

BK2402091593 Hanoi Vietnam Television Network in Vietnamese 1300 GMT 21 Feb 93

[Text] The 1993 all-army economic conference recently was held in Hanoi. Senior Lieutenant General Dao Dinh Luyen, member of the party Central Committee and general chief of staff of the Vietnam People's Army, chaired the conference. The delegates listened to reports and discussed the 1992 production situation of the national defense economy and directions and tasks for 1993.

Gen. Doan Khue, member of the party Political Bureau and minister of national defense, addressed the conference. He urged cadres and workers of military factories, enterprises, economic production units, and movements to increase production in the effort to improve the soldiers' lives.

Military economic production scored important achievements in 1992. Military production and economic duty developed in the right direction. The economic units of the Armed Forces initially gained firm ground in the new management structure, helping to improve soldiers' living standards and contribute to the state economy. Their total production increased 36 percent; payments to the national budget by cost accounting army units increased 31 percent.

Shortcomings also were pointed out at the conference, as well as measures to overcome them. These measures will help maintain and broaden the economic production capacity of the Armed Forces in the future.

Premier, Hanoi Officials Discuss Economic Tasks

BK2202120593 Hanoi Voice of Vietnam in English 1000 GMT 18 Feb 93

[Text] Vietnamese Prime Minister Vo Van Kiet and his deputies have recently held a working session with leaders of Hanoi on the implementation of the socioeconomic tasks for 1993. Following is our radio review of this session:

First, the mayor of Hanoi briefed the principals on the socioeconomic situation of the city in 1992. He said that last year was the continuation of the implementation of the party and state policies for renovation. Positive progress has been achieved in Hanoi socioeconomic development. The economy keeps reorganizing and developing its new resources, and its production is steadily stabilized and developed. As social politics is also very stable, nonetheless, there still remains some pending issues, such as difficulties in reorganizing the industrial production, the slow process of the implementation of the city master plan, and the follow up building and controlling the city, to be worthy of the capital of the country.

The mayor also highlighted the key orientations and directions of the development in 1993, and called on the government to help Hanoi fulfill its socioeconomic tasks.

For his part, Prime Minister Vo Van Kiet welcomed the achievements scored by the Hanoiens over the last year, and pointed to the important role of Hanoi in the region and in the whole country. The prime minister noted that the present domestic and international situations provide a number of the ventures for Hanoi to develop. Hanoi should increase its economic growth in general, and the industry in particular of 1993, higher than that of 1992. Regarding the task of building and managing the city, Vo Van Kiet said that the city master plan has been ratified by the government. Hanoi leaders should make public and strictly carry out the plan. He also called for an early establishment of a center for a national university and a national medical center in Hanoi.

In conclusion, the prime minister noted that all the ministries and other central services must have responsibility towards Hanoi. And on the contrary, Hanoi should do its best to bring into full play its work force, [word indistinct] the management mechanism, to help the central ministries and branches implement their plans successfully.

Nguyen Van Linh Attends Propaganda Conference

BK2402095393 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 22 Feb 93

[Text] A national conference on propaganda and educational work was opened in Ho Chi Minh city this morning, according to a Radio Voice of Vietnam correspondent.

Comrade Nguyen Van Linh, adviser to the party Central Committee, was present at the conference.

The conference was attended by representatives of various provinces and cities nationwide, representatives of those sectors having to do with propaganda and educational work, editors-in-chief of various central newspapers and radio stations, and representatives of a number of localities.

Comrade Ha Dang, member of the party Central Committee and head of the party Central Committee Ideological and Cultural Department, presented a roundup report on ideological and cultural activities in 1992 and orientations for ideological work in 1993.

The report emphasized: Stability was the most distinctive feature of our society's ideological picture last year as there were no major upheavals in political thinking. Supporting party lines, having one's confidence in the renovation undertaking and the party leadership, and developing a determination to achieve self-reliance, to overcome difficulties in adjusting oneself to the new mechanism, and to be confident in our ability to overcome all ordeals in moving forward are gaining their momentum.

Comrade Ha Dang also pointed out: Ideological and cultural activities for 1993 should be directed at ensuring the thorough understanding and satisfactory implementation of the resolution of the Seventh Party Congress and other resolutions of the party Central Committee; continuing to carry out renovation in terms of contents, forms, and methodology; developing democracy; and improving the militancy and efficiency of ideological work.

Comrade Nguyen Dinh Tu, secretary of the party Central Committee and head of the party Central Committee's Scientific and Educational Department, presented a report on various pressing issues concerning local scientific and cultural work.

Those attending the conference also heard various topical reports on local ideological as well as scientific and eductional work and contributed their views on a general report.

The conference will be in session for four days, from 22-25 February.